



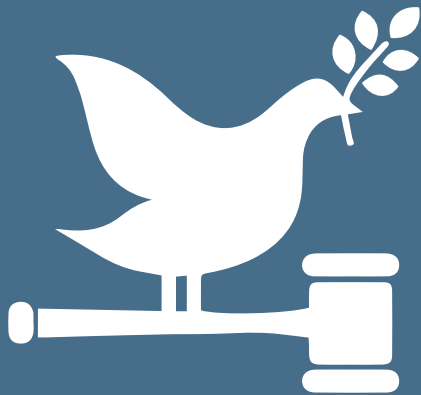
USAID
FROM THE AMERICAN PEOPLE



**TRANSPARENCY
INTERNATIONAL**
anticorruption center



**TRANSPARENCY
INTERNATIONAL**
the global coalition against corruption



ARMENIA PROGRESS TOWARDS --- SUSTAINABLE DEVELOPMENT GOAL 16

YEREVAN
MAY 2018



This report reflects Armenia's progress towards the Sustainable Development Goal 16 before the velvet revolution of 2018. It is prepared by Transparency International Anticorruption Center in result of a study conducted based on the methodology developed by Transparency International.

The study is made possible by the support of the American People through the United States Agency for International Development (USAID) and the technical assistance of the Transparency International Secretariat.

The contents of this report are the sole responsibility of Transparency International Anticorruption Center and do not necessarily reflect the views of USAID or the United States Government or Transparency International's Secretariat.

Information contained in this publication was collected before the revolution and is believed to be correct as of May 31 2018. It serves as a baseline and allows to assess Armenia's further progress towards accomplishing Sustainable Development Goal 16.

Expert: Khachik Harutyunyan

Transparency International Anticorruption Center
12 Martiros Saryan Street, 5th Floor
Yerevan 0002, Armenia
Tel.: (+374 10) 569589, 569689
Fax: (+374 10) 569519
E-mail: info@transparency.am
Website: www.transparency.am
Twitter: twitter.com/TI_Armenia

TABLE OF CONTENTS

THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT	7
RATIONALE FOR THIS SHADOW REPORT	8
INTRODUCTION	10
METHODOLOGY	11
NATIONAL PROGRESS TOWARDS SDG 16.4, 16.5, 16.6, 16.10	12
Background.....	12
Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.	12
Target 16.5: Substantially reduce corruption and bribery in all their forms.....	13
Target 16.6: Develop effective, accountable and transparent institutions at all levels	15
Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.....	17
RECOMMENDATIONS	19
APPENDIX 1. SCORECARD	22
APPENDIX 2. QUESTIONNAIRE.....	22
Background.....	23
1. National SDG implementation plan and monitoring process	23
2. Recent developments	25
Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime.	27
3. Anti-money laundering.....	27
4. Beneficial ownership transparency	33
5. Recovery of stolen assets	41
6. Fight against organised crime.....	46
7. Arms trafficking	47
Target 16.5: Substantially reduce corruption and bribery in all their forms.	50
8. Experience and perceptions of corruption.....	50
9. Anti-corruption framework and institutions	53
10. Private sector corruption.....	70
11. Lobbying transparency.....	72
12. Party and election campaign finance transparency.....	72
Target 16.6: Develop effective, accountable and transparent institutions at all levels	77
13. Transparency and integrity in public administration	77
14. Fiscal transparency.....	85
15. Public procurement	86
16. Whistle-blowing and reporting mechanisms.....	89
Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements.....	96
17. Protection of fundamental freedoms	96
18. Access to information	106
19. Open government data.....	112

EXECUTIVE SUMMARY AND MAJOR FINDINGS

The Government of Armenia signed on to Agenda 2030 and its 17 Sustainable Development Goals (SDGs) in September 2015. In July 2017, a National SDG Innovation Lab was established as a joint initiative between the Government of Armenia and the UN. The Lab is supported by UNDP and designed to be the “government’s reform accelerator”.

This report provides an independent account of the country’s progress towards SDG targets 16.4, 16.5, 16.6 and 16.10. This baseline exercise, conducted based on a methodology developed by Transparency International (TI), reveals a fundamental issue in the country’s fight against corruption in the last decade: Despite the existence of legal frameworks with basic standards, the enforcement of legislation remains weak. There are certain areas that also need legislative intervention; nevertheless, Armenia’s overarching challenge is the lack of political will to enforce anti-corruption legislation.

In this regard, it is most important to tackle high-level and political corruption. There is a need to adopt comprehensive legislation on beneficial ownership and make this information available to the public, which in turn will facilitate investigative journalism and the active participation of CSOs in anticorruption work. Currently, the information on beneficial ownership is collected for some areas (e.g. banking and procurement) but not through a systemic approach based on a comprehensive law on beneficial ownership. Currently, the information collected is not accessible to the public.

Moreover, there is no adequate reporting and oversight of political party expenditures during election campaign periods and beyond.

The poor performance of law enforcement agencies is a major problem for ensuring effective anti-corruption policy implementation in Armenia. In spite of somewhat-developed legislation, law enforcement fails to detect and reprimand corruption crimes due to a lack of organizational independence from the strong political influence of the highest echelons of political power.

Asset recovery remains weak. The monitoring of media publications has not revealed any successful cases of recovery of overseas assets. This is partially connected with the ineffective anti-corruption fight in the country and the general impunity of high-level officials and wealthy businessmen that could be responsible for large financial outflows.

Prosecution of instances of private sector corruption, money laundering and bribery of foreign public officials also remains weak. The existence of organized crime is largely overlooked. There is information that “criminal authorities”¹ have had active participation in falsification of the most

¹ Equivalents to representatives of quasi-mafiosi and quasi-gang groups in former Soviet Union member states

important elections during the last two decades.² Because of this and other circumstances the police is being perceived by the society as one of the most corrupt institutions.³

The judiciary remains the weakest part of Armenia's current political system. It does not enjoy public trust and justice rendered by it does not carry public confidence. It is not perceived to be politically independent and is rather characterized as a punishment tool for those who hold political power.

During recent years, there have been many attacks on civic activists and journalists without due investigation.

The recommendations presented in this report are aimed at addressing the shortcomings in countering corruption in the country and are prioritised based on the research conducted:

Anti-money laundering

Armenia needs to consistently enforce legislation on money laundering and provide special training to law enforcement agencies.

Beneficial ownership transparency

The country should adopt legislation creating a beneficial ownership registry as part of the State Registry of Legal Entities. The information about beneficial owners should be available free-of-charge for public scrutiny.

Recovery of stolen assets

Armenia needs to develop legislation and improve its institutional framework to ensure asset recovery, including asset repatriation from countries where the stolen assets are hidden.

Fight against organized crime

The criminal culture, developed during Soviet times, which praises the practices of men governed by an unwritten code of honour must be eradicated. The country must adopt "zero tolerance" towards organized crime and criminalize membership in, association with or the propaganda of "criminal culture".

Anti-corruption framework and institutions

Armenia needs to establish a specialized independent and unified agency to deal with the different phases of investigations of corruption cases. It must seriously invest in the capacity

² <http://www.aravot.am/2017/05/31/888950/>, <http://www.tert.am/am/news/2017/05/31/aravot/2388398> and <https://armur.am/441228/>

³ According to Global Corruption Barometer 2016 of Transparency International the following institutions have been assessed as most corrupt: Public Officials (45%); President/Prime Minister and their staff (44%); Tax Officials (43%); MP-s (42%); Judges (41%) and Police (40%), <https://transparency.am/hy/qcb/2016>.

building of the agency by providing high-level training and establishing cooperation with counterparts from other countries.

The judiciary of the country must be reformed to increase public trust in this institution. Judicial acts must be carried out by independent and specialized judges immune to political influence.

Private sector corruption

Armenia needs to improve legislation related to the protection of economic competition as well as transparency of the State Commission on Protection of Economic Competition's operations.

Party and campaign finance transparency

Armenia has to create mechanisms for the adequate reporting of political party finances. It must also ensure the independence and wide jurisdiction of the oversight and audit service, covering both election campaign funding as well as regular political party funding during non-election periods.

Transparency and integrity in public administration

Armenia needs to expand the scope of publicly available data to ensure the transparency of asset and income declarations. It also has to intensify the proactive control of declarations to reveal systemic shortfalls and legal deficiencies.

Fiscal transparency

There is a need to take measures to improve citizens' access to and engagement with budgetary processes.

Public procurement and government contracting

The country has to improve procurement legislation to limit the use of single-source procurement as well as to safeguard the adequate operation and public oversight over the electronic system of procurement.

Whistle-blowing and reporting mechanisms

Armenia has to take legislative measures to extend protection for whistle-blowers in the private sector. It must ensure successful outcomes to develop public trust in the system.

Protection of fundamental freedoms

The law enforcement bodies have to immediately start and/or properly complete investigations of all attacks against journalists.

Access to information

The government has to extend the Law on Freedom of Information to cover private entities involved in the use of public resources. Also, they need to provide public access to companies' information free of charge.

Open Government Data

The government needs to ensure the transparency of all policy-related data in an open data format to assist public oversight and independent analysis.

THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

Spearheaded by the United Nations, the sustainable development goals (SDGs), also known as *Transforming our World: the 2030 Agenda for Sustainable Development*, is a set of 17 aspirational “global goals” and 169 targets adopted in 2015 by the 193 UN member states. All UN member states have committed to these global goals that are intended to steer policy-making and development funding for the next 15 years. Of particular relevance to the anti-corruption agenda is SDG 16 on sustainable governance, most notably targets 16.4 on illicit financial flows, 16.5 on bribery and corruption, 16.6 on transparent and accountable institutions, and 16.10 on access to information.

Global targets and indicators have been set for each goal with the expectation that they will be incorporated into national planning processes and policies. Countries are also encouraged to define national targets tailored to their specific circumstances and identify locally relevant indicators and data sources that will be used to measure progress towards achieving each of the SDG targets.

As part of its follow-up and review mechanisms, the 2030 Agenda for Sustainable Development encourages member states to conduct regular national reviews of progress made towards the achievement of these goals through an inclusive, voluntary and country-led process. In addition, each year, certain state parties volunteer to report on national progress to the High-Level Political Forum (HLPF), which met in July 2018 in New York. Armenia is among the countries that is reported in 2018. While SDG 16 will not be reviewed in depth by the HLPF until 2019, integrity risks across the SDG framework make it essential to monitor national progress against corruption from the outset. Therefore, this report is prepared by Transparency International Anticorruption Center (TIAC) to supplement the official government report of Armenia highlighting the corruption risks in the country, which must be addressed for the 2030 agenda to be successful.

RATIONALE FOR THIS SHADOW REPORT

While governments are expected to take the lead in reviewing progress towards the Sustainable Development Goals (SDGs), national-level monitoring needs to go beyond the remit of governments to include civil society and other stakeholders.

This shadow report is based on data collected by TIAC before May 2018. The report has been developed in response to three key issues related to the official SDG monitoring processes: the multi-dimensional nature of SDG targets, data availability, and perceived credibility of data generated by government agencies. Collectively, these limitations provide a strong rationale for an independent appraisal of the government's anti-corruption efforts in the context of the Sustainable Development Goals.

Firstly, several of the targets under Goal 16 are multi-dimensional and they measure broad concepts like “corruption”, which cannot be adequately captured by a single indicator. Moreover, the official global indicators do not sufficiently cover the full ambition of the targets. For instance, target 16.5 seeks a substantial reduction in corruption and bribery “in all their forms”, but the only approved global indicators measure bribery between public officials and the public or businesses. There are no measures of corruption within or between governments or other forms of non-governmental corruption. For some targets, the selected global indicators fail to capture critical aspects. For instance, target 16.4 seeks to combat all forms of organised crime, but there is no official indicator that measures organised crime nor an indicator related to strengthening the recovery and return of stolen assets.

This shadow report seeks to provide a more comprehensive picture of national anti-corruption progress across a range of policy areas.

Secondly, even where the official indicators are capable of capturing progress towards SDG 16 targets, there is an absence of data to speak to these indicators. Many of the global SDG 16 indicators rely on data that is not regularly produced or currently have no established methodology or standards for data collection.

This shadow reporting exercise is partly an effort to compensate for the insufficiency and lack of data availability for Armenia's official SDG 16 indicators by presenting alternative indicators, data sources and proxies.

Finally, the official assessment of progress made towards the SDG targets will rely on data generated by government agencies, particularly national statistics offices. The reliability and credibility of official data may be open to question for two reasons. First, in some settings, national statistics offices may simply be overwhelmed by the task of producing data for 169 targets. Second, politically sensitive targets, such as those related to corruption and governance, require that governments assess their own efficacy; illicit financial flows may involve government officials (16.4), and the corruption by default assumes government elites (16.5), government may exaggerate its transparency and accountability performance (16.6), while governments may

be restricting information, or even targeting journalists, trade unionists or civil society activists (16.10).

Given the challenges described above, independent analysis is vital to complement and scrutinise official government progress reports related to SDGs 16.4, 16.5, 16.6 and 16.10. This shadow report is an attempt to do just that.

The information collected from the shadow reporting exercise and presented in this report can be used as an input into two key processes. At the global level, this information can be used to complement National Voluntary Reviews at the High Level Political Forum in July 2018. Nationally, this report can feed into the governmental SDG review processes supplementing government data to adopt a holistic approach towards the national SDG agenda.

INTRODUCTION

The Government of Armenia signed on to Agenda 2030 and its 17 Sustainable Development Goals (SDGs) in September 2015.⁴ On March 9, 2015, the Prime Minister of Armenia created the National Council for SDGs and approved its regulation.⁵ The Council is chaired by the Prime Minister and consists of different ministers, Standing Committees of Parliament and civil society representatives.

The lack of political will is the main problem in countering corruption in Armenia, which is more so reflected at the highest levels of government. Corruption has a systemic nature and commonly is manifested in its most pervasive form: state capture, where private and clan interests significantly influence a state's decision-making processes to their own advantage.

The resulting impunity, especially among high-level officials, remains a serious issue and the unexplained wealth of high-level officials so far has not triggered any investigations. Besides, a number of wealthy businessmen are members of parliament (MPs) and none of them has been pursued due to immunity granted by the constitution and a lack of high-level political will among the authorities to pursue their wrongdoing. The business elites and political elites of the country act in collusion, creating a self-serving power structure despite so-called liberalized economic policies. The law enforcement agencies and judiciary are captured by the ruling political elite and defend their interests. Despite the presence of somewhat substantive legislation and institutions to fight corruption, the country lacks the political will to enforce these laws and truly eradicate corruption. Hence, those laws and institutions become just a fiction, imitating the country's fight against corruption.

⁴ See: <http://sdginnovationlab.am/our-lab/>

⁵ Prime Minister of Armenia decision N 167-A from 9 March, 2015

METHODOLOGY

The report aims to provide a broad assessment of national progress towards four SDG targets linked to anti-corruption and transparency: 16.4, 16.5, 16.6 and 16.10. A number of policy areas are covered under each of these four SDG targets to provide a rounded overview in a way that goes beyond the narrow understanding of corruption captured by the official global indicators.

Each policy area was assessed against three elements. First, there was a scored evaluation of the country's *de jure* legal and institutional framework. Second, relevant country data from assessments and indices produced by civil society groups and international organisations was considered. Finally, researchers conducted a qualitative appraisal of the country's *de facto* efforts to tackle corruption.

The report is based on analysis and review of legislation, international reports and publications and media reports relevant to the focus of this exercise. The research was conducted during the period of March-April 2018.

NATIONAL PROGRESS TOWARDS SDG 16.4, 16.5, 16.6, 16.10

Background

The Government of Armenia signed on to Agenda 2030 and its 17 Sustainable Development Goals (SDGs) in September 2015.⁶ In 2016, this was followed by the SDG nationalization process, the integration of SDGs into a national strategic framework and the establishment of a system of reporting and assessing the progress towards achieving each relevant goal. In order to understand the full process, in mid-2017, Armenia initiated the development of a new Armenia Development Strategy – 2030, which incorporated the outcomes of the Armenian SDG nationalization process.

In 2017, the Armenia National SDG Innovation Lab was established as a joint initiative between the Government of Armenia and the UN. One of the rationales for establishing this Lab was “to draw upon innovative methodologies from across the world to support and accelerate the national SDG implementation process”.⁷ The Lab is supported by UNDP and hosted in the Center for Strategic Initiatives, which is the Government’s own “reform accelerator”.⁸

On March 9, 2015, the Prime Minister of Armenia created the National Council for SDGs and approved its regulation.⁹ The Council is chaired by the Prime Minister and consists of relevant ministers, Standing Committees of Parliament and Civil Society representatives.

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Anti-money laundering

Armenia’s ranking under the Basel Anti-Money Laundering Index (2017) is quite good: among 146 countries it occupies 134th position. The Index scores from 1.00 to 10.00, where 10.00 indicates a very high risk of money laundering and 1.00 represents a very low risk. Armenia received a score of 4.44, behind the leader, Finland, by 1.40 points. Armenia was not evaluated under Financial Secrecy Index or Global Financial Integrity for the relevant time periods.

Prosecution of anti-money laundering in the country is low. This somewhat indicates the lack of political will and capacity for effective prosecution. For example, in 2017, there was not a single file opened for money laundering-related offences. At the same time, the Central Bank Financial Monitoring Center’s statistics for 2017 show a total number of 280 reported suspicious transactions and business relationships.¹⁰

⁶ <http://sdginnovationlab.am/our-lab>

⁷ Ibid.

⁸ Ibid.

⁹ Prime Minister of Armenia decision N 167-A from 9 March, 2015

¹⁰ https://www.cba.am/Storage/AM/downloads/FDK/Annual%20Reports/FMC_Annual%20Report_2017_arm.pdf

Beneficial ownership transparency

Under the “Open Company Data” Index, Armenia received 25 points out of a possible 100, receiving these points only for “freely searchable basic data on companies.”

Regulation of beneficial ownership transparency is decentralized and does not seem well-organized. From the perspective of anti-money laundering, the concept of “beneficial ownership” is moderately well-regulated for the banking system, though there are some shortfalls, such as lacking specific timelines for submitting the declaration on beneficial ownership.

Recovery of stolen assets

The issue of recovery of stolen assets was never a priority in the agenda of the anti-corruption fight for the authorities in Armenia due to the simple reason that the corrupt authorities did not have any incentive and political will to fight corruption and take the necessary steps to recover and repatriate stolen assets. In cases where stolen assets of high-ranking officials were revealed to the public through information leaks, the authorities protected those involved in the scandals.

Fight against organised crime

According to TI's Global Corruption Barometer (GCB) 2016, the following institutions were perceived to be the most corrupt in Armenia: public officials (45%); president/prime minister and their staff (44%), tax officials (43%); MPs (42%); judges (41%) and police (40%).¹¹

The Police has a General Department on Combating Organized Crime but the existence of so-called “criminal authorities”¹² prove the tolerant attitude of law enforcement authorities towards them. There have been many records that representatives of criminal networks were involved in the falsification of major elections during the past two decades.¹³ Hence, the so-called “fight” against organised crime is actually only a window-dressing technique to hide the support of criminal groups to the ruling Republican Party of Armenia and its partners, whenever necessary.

Target 16.5: Substantially reduce corruption and bribery in all their forms

Experience and perceptions of corruption

According to GCB 2016 results, 24% of respondents stated that they or a member of their household made an unofficial payment or gift when coming into contact with public services over the past 12 months.¹⁴ 37% of respondents stated that corruption or bribery was one of the three most important problems faced by Armenia that the government should have addressed. Sixty-five percent of respondents stated that the Armenian government performs “badly” in

¹¹<https://transparency.am/hy/gcb/2016>

¹² Equivalent to quasi-mafiosi and quasi-gang style group's representatives for former Soviet Union countries

¹³<http://www.aravot.am/2017/05/31/888950/http://www.tert.am/am/news/2017/05/31/aravot/2388398> and

<https://armlur.am/441228/>

¹⁴<https://transparency.am/hy/gcb/2016>

fighting against corruption. Only 34% of people expressed a will to get involved in any activities related to the fight against corruption.

In comparison with GCB 2013, the number of respondents who reported unofficial payments increased by 6% and the number of those who think that the government performs badly increased by 12%.¹⁵ Interestingly, the number of respondents who think that involvement in the anti-corruption fight cannot change anything remained the same at 63%. The number of respondents who want to get involved in the fight against corruption also decreased by 9% from 43% in 2013.

This data clearly shows that the efforts of authorities are not efficient and society does not trust in the anti-corruption efforts of the government or in the authorities themselves.

Anti-corruption framework and institutions

Armenia's Criminal Code is largely in compliance with the UN Convention against Corruption (UNCAC) and identifies offenses such as bribery, embezzlement and other diversions of property, undue influence in trading, abuse of functions, illicit enrichment, bribery in the private sector, laundering the proceeds of crime, concealment and obstruction of justice.

Armenia has developed the legal framework for the creation of a Corruption Prevention Commission (CPC) to be established after the completion of the country's transition to a parliamentary republic in spring 2018. The Commission will mainly focus on anti-corruption education and preventive policy such as the study and verification of asset and income declarations, prevention of and conclusions on conflict of interests, and compliance to ethics standards. Under the law, the Commission is supposed to be independent based on its selection process and financial autonomy. The procedure for the selection of its members is quite lengthy, with an intermediate level of competition council, mostly aimed at ensuring the independence of the selected members. However, the proposed format is also controversial given the actual dependence of the proposed members of the selection council, including the civil society representatives, and their being under the total control of the ruling Republican Party of Armenia.

The supreme audit institution of Armenia, the Audit Chamber, has restrictions on its operational independence. Given the Chamber's recent formation, it is too early and not practical to assess the implementation of the legal provisions aimed at securing integrity among the Chamber's members. The requirements on transparency of the chamber are rather comprehensive.

In Armenia there are six agencies with law enforcement functions: the Prosecutor's Office, the Special Investigative Service, the Police, the Investigation Committee, the National Security Service and the State Revenue Service. In reality, the level of independence of these agencies is quite low and they are subject to the control of the ruling authorities. The investigation of corruption by these agencies is not quite effective.

¹⁵<https://transparency.am/hy/gcb/2013>

Despite the legal guarantee of judicial independence in the Constitution of the Republic of Armenia, the judiciary is largely controlled by the ruling party.

Private sector corruption

The bribery of foreign public officials is criminalized under Armenian legislation. However, to date, no one has been prosecuted under this law.

Collusion is regulated by the Law on State Commission for Protection of Economic Competition and under the RA Criminal Code. Accordingly, it is sanctioned by the State Commission for the Protection of Economic Competition.

Overall, the prosecution of corruption in the private sector is quite weak in Armenia as the main focus of law enforcement for the fight against corruption has always been public sector corruption.

Party and campaign finance transparency

Armenian legislation regulating political parties and campaign finance reporting is largely in line with international standards. However, there is a serious lack of effectiveness of the regulating institution, the Oversight and Audit Service, which operates as part of the Central Electoral Commission. This service lacks proper jurisdiction and tools for exercising effective regulation over political parties. It does not have adequate human resources or functional independence. For example, it does not have the right to autonomously initiate proceedings against a political party for a breach of law.

Lobbying transparency

There is no regulation of lobbying in Armenia.

Target 16.6: Develop effective, accountable and transparent institutions at all levels

Transparency and integrity in public administration

Transparency and integrity in public administration was largely revised and improved with the adoption of the new Law on Public Service. The new legislation will fully enter into force with the creation of the Corruption Prevention Commission (CPC), which is going to be equipped with additional jurisdiction for ensuring the integrity of public administration. Compliance with ethics requirements will be ensured by ad hoc Ethics Commissions as well as through Integrity Officers in state institutions. Along with assets and income declarations, there will be interest declarations. In addition, both criminal and administrative sanctions have been introduced for failing to provide declarations or for inserting fake data in declarations.

The new framework, which enters into force with the creation of the CPC, holds promising potential to become an effective mechanism that will largely depend on the political will of the authorities.

Fiscal transparency

Armenia is not included in relevant international indices in relation to fiscal transparency, which would make it possible to evaluate Armenia's progress or regress or compare it with other countries. Budgetary information, including an interactive budget, is being published as required by the Law on the Budgetary System. Nevertheless, citizens do not participate in the formation of the budget.

Public procurement and government contracting

The system of public procurement in Armenia has been changed many times. There is a need to improve regulations on single-source procurement as the Law on Procurement does not stipulate clear thresholds. It only stipulates conditions where single-source procurement may be permissible.

Additionally, the electronic system of procurement is not effective or user-friendly, neither is it adjusted for adequate public oversight.

Whistle-blowing and reporting mechanisms

Whistle-blowing legislation was passed in June 2017 and is still too new to fully evaluate. The law only covers public sector whistle-blowers. However, on a positive note, it must be mentioned that it introduces concepts such as "Person who has been considered as a whistle-blower by mistake" and anonymous whistle-blowing.

Whistle-blowers receive quite strong protection through the Criminal Law and Administrative Law. However, there are shortcomings in terms of providing immediate relief to those whistle-blowers who faced damages and lost financial opportunities because of their actions.

[Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements](#)

Protection of fundamental freedoms

According to Freedom House's *Freedom in the World 2018* report Armenia received 44 out of 100 points and was categorised as "Partially Free". According to "World Press Freedom Index 2017" by Reporters Without Borders, Armenia ranks 79th out of 180.

Legislation provides sufficient grounds for the protection of fundamental freedoms but these are not always borne out in reality. Cases of attacks against journalists during public gatherings often remain unresolved by law enforcement agencies. The level of transparency was recently weakened, especially by the initiative of the ruling Republican Party of Armenia that declared the Government's sessions to be closed to the public.

Access to information

Armenia holds a respectable rank in the “Global Right to Information Index”; it is 38th among 110 countries.

The right to information is guaranteed by the Constitution of the Republic of Armenia and is enhanced by the Law on Freedom of Information, which provides information of any format. The law has broad coverage and basically covers all entities that are connected with public administration. Legislation does not designate a state institution in charge of securing the public’s right to information. The “harm test” is not explicit and is not applied. One of the shortcomings of Armenian legislation is that there is a fee for receiving information about private commercial companies. However, the limitations on the right to information are basically in line with international standards.

Open Government Data

Armenia’s legislation is generally conducive to strengthening open government. There are some shortcomings in terms of beneficial ownership openness and most data posted on state-run websites are not open and machine-readable.

RECOMMENDATIONS

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime

Anti-money laundering

- Proactively and persistently enforce anti-money laundering legislation and provide special training to law enforcement agencies.

Beneficial ownership transparency

- Adopt legislation on beneficial ownership and develop a unified and open-access beneficial ownership registry as part of the State Registry of Legal Entities.
- Create a special task force for the creation of a beneficial ownership registry as part of State Registry of Legal Entities.
- Make the information on beneficial owners of companies free-of-charge and accessible to the public via an online platform.

Recovery of stolen assets

- Develop legislation to ensure asset recovery, including asset repatriation.
- Create special units on asset recovery within the Special Investigative Service and Prosecutor General's office.

Fight against organized crime

- Adopt a policy of “zero tolerance” against organized crime and criminalize membership, association or promotion of “criminal culture”.
- Accordingly, take effective measures to prosecute any related crime as defined by the law.

Target 16.5: Substantially reduce corruption and bribery in all their forms

Anti-corruption framework and institutions

- Create a specialized law enforcement body or transform the Special Investigative Service to deal only with corruption cases and be equipped for the entire investigation process.
- Build the capacity of the agency by providing high-level training and establish cooperation with counterparts from other countries to ensure the successful return of stolen assets.
- Reform the judiciary to ensure the independence of judges and protection from political influence.

Private sector corruption

- Improve legislation related to the protection of economic competition and the transparency of the State Commission on Protection of Economic Competition's operations.

Party and campaign finance transparency

- Create mechanisms for adequate reporting of political party finances. Ensure the independence and wide jurisdiction of the oversight and audit structure for due oversight of campaign funding as well as regular political party funding.

Target 16.6: Develop effective, accountable and transparent institutions at all levels

Transparency and integrity in public administration

- Expand the transparency of asset and income declarations.
- Intensify the proactive oversight of declarations to reveal system shortfalls and legal deficiencies.

Fiscal transparency

- Take measures to improve citizens' access and engagement with budgetary processes.

Public procurement and government contracting

- Improve procurement legislation to limit the use of single-source procurement.
- Ensure the adequate operation of and public oversight over the electronic system of procurement.

Whistle-blowing and reporting mechanisms

- Take legislative measures to extend protection for whistle-blowers in the private sector.
- Introduce the concept of immediate relief for whistle-blowers who faced damages.
- Promote success stories of whistle-blower protection to develop public trust in the system.

Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Protection of fundamental freedoms

- Immediately start and/or properly complete the investigation of all attacks against journalists.

Access to information

- Extend the Law on Freedom of Information to cover private entities involved in the use of public resources.
- Provide public access to companies' relevant information free-of-charge.

Open Government Data

- Ensure transparency of all policy-related data in an open data format to assist public oversight and independent analysis.

APPENDIX 1. SCORECARD

COUNTRY LEGAL SCORECARD*

ARMENIA

SDG AGGREGATE VALUE

Target 16.4 Score	57%
Target 16.5 Score	63%
Target 16.6 Score	60%
Target 16.10 Score	67%



POLICY AREA

Target 16.4	Target 16.5	Target 16.6	Target 16.10
- Anti-Money Laundering - Beneficial Ownership - Asset Recovery - Arms Trafficking	- Anti-Corruption Framework and Institutions - Private sector - Transparency in Lobbying - Transparency in Party & Election Campaign Finance	- PA Transparency and Integrity in Public Administration - TAX Fiscal Transparency - Integrity in Public Procurement - Whistleblowing	Access to Information

* This scorecard is simply intended to assess whether a given country's legislative and institutional anti-corruption framework is in line with international best practice. It does not assess compliance with the legislative framework or the effectiveness of its implementation.

APPENDIX 2. QUESTIONNAIRE

Background

1. National SDG implementation plan and monitoring process

Indicator number	1.1
Indicator question(s)	Has the government taken steps to develop an SDG action plan on how to implement Agenda 2030 at the national level?
Response	There is no published Action Plan. In 2016, the country started the SDG nationalization process, the integration of SDGs into a national strategic framework and the establishment of a system of reporting and assessing the progress in achieving each relevant goal. In order to understand the full process, in mid-2017, Armenia initiated the development of a new National Armenia Development Strategy – 2030, which incorporated the outcomes of the Armenian SDG nationalization process. On March 9, 2015, the Prime Minister of Armenia created the National Council for SDGs and approved its regulation (Decision N167-A). The Council is chaired by the Prime Minister and consists of different ministers, Standing Committees of Parliament and civil society representatives.
References	http://sdginnovationlab.am/our-lab/

Indicator number	1.2
Indicator question(s)	Which government body or bodies are in charge of the implementation of the national SDG implementation process and, in particular, concerning the implementation of SDG 16?
Response	National Council for SDGs, chaired by the Prime Minister is responsible for the national SDG implementation process.

Indicator number	1.3
Indicator question(s)	Has civil society been able to contribute to the selection of national indicators concerning SDG 16 and have there been any formal discussions about how anti-corruption targets will fit into the implementation of a national SDG plan?
Response	Some civil society members have been invited to contribute to the discussions on separate SDGs.

Indicator number	1.4
Indicator question(s)	Has the development of national SDG implementation reports relating to SDG 16 been open and inclusive?
Response	There is no report on SDG 16.

Indicator number	1.5
Indicator question(s)	How do you assess the quality of the official assessment and the data provided in official implementation reports for targets 16.4, 16.5, 16.6 and 16.10?
Response	There is no report on SDG 16.

Indicator number	1.6
Indicator question(s)	Are there any salient corruption or governance issues which are omitted or not adequately addressed in the official national report?
Response	There is no report on SDG 16.

2. Recent developments

Indicator number	2.1
Indicator question(s)	Has the country adopted a national anti-corruption action plan?
Scoring	● 1: A national anti-corruption action plan has been adopted
Response	There is an Anti-corruption Action Plan for the years 2015-2018
References	https://www.arlis.am/DocumentView.aspx?DocID=119838

Indicator number	2.2
Indicator question(s)	% of respondents state that their government performs “well” at fighting corruption in government, according to Transparency International’s Global Corruption Barometer
Response	According to GCB 2016 results, only 14% of respondents in Armenia responded saying that they think the authorities are effective in the fight against corruption.
References	https://transparency.am/storage/GCB2016_Tables_am.pdf

Indicator number	2.3
Indicator question(s)	Has your country’s current political leadership made public declarations about fighting corruption in the past two years? Have there been high-level commitments by the current administration to strengthen the legal framework, policies or institutions that are relevant to preventing, detecting and prosecuting corruption?
Response	The authorities regularly speak about their intention to fight corruption. For example, on December 22 2017, during the celebration of the Day of National Security Service Employees, President Serzh Sargsyan devoted a big part of his speech to the fight against corruption. Prime Minister Karen Karapetyan, who chairs the Anti-Corruption Council, expresses his commitment to taking measures to fight against corruption.

References	https://www.president.am/hy/press-release/item/2017/12/22/President-Serzh-Sargsyan-had-a-speech-at-the-National-Security-Service/ https://www.gov.am/am/news/item/13224/ https://www.gov.am/am/news/item/13191/
------------	---

Indicator number	2.4
Indicator question(s)	Is there evidence that laws and policies are not equally applied to all officials, resulting in an increased risk for misuse of power and grand corruption?
Response	Generally, in Armenia, there is a system of selective justice, where laws and policies are applied differently to different groups within society. In regard to the equal application of laws and policies, Bertelsmann Stiftung, in its 2018 country report on Armenia, notes: “Additionally, although there is a reasonable administration of justice, adjudication remains contingent on political, personal or financial interference (such as bribery). This is related to a fairly weak rule of law, matched by a flawed system of law enforcement and a sometimes checkered record of justice, primarily in the less developed regions of the countryside. Similarly, the lack of an independent judiciary also tends to weaken the efficacy of state administrative bodies and fosters a general public mistrust of the system.”
References	https://www.bti-project.org/en/reports/country-reports/detail/itc/arm/itr/pse/

Indicator number	2.5
Indicator question(s)	Have there been significant anti-corruption reforms or advances in the fight against corruption in the past two years?
Response	Significant reforms have not been made. However, in June 2017, the parliament passed 2 new laws aimed at fighting corruption: the Law on Corruption Prevention Commission, which calls for establishing a specialized preventive body, and the Law on Whistle-blowing System, which provides protection for whistle-blowers and related persons.
References	https://www.arlis.am/DocumentView.aspx?DocID=114355 https://www.arlis.am/DocumentView.aspx?DocID=123969

Indicator number	2.6
Indicator question(s)	How do you assess the space for civil society and the media to investigate and highlight corruption risks and cases, and to demand accountability from the country's political and economic elite?
Response	The space for civil society and media to investigate corruption is somewhat fictitious. Support is being provided in specific cases of special interest to the authorities but it is often nothing more than window-dressing.

	The investigation and reporting of political corruption cases is a notable example. As Freedom House reports, “The Committee to Protect Freedom of Expression (CPFE), a local media rights group, called 2017 a ‘tense and complicated’ year for journalism, pointing to heightened political pressure around the parliamentary and local elections. While fewer media workers and outlets faced violence in 2017 than in 2016, the CPFE recorded nearly twice as many cases of pressure in the form of intimidation. There have been 60 new defamation and insult lawsuits launched against media in 2017, the highest number since offenses were decriminalized in 2010.” CPFE’s report notes that “judicial and law enforcement bodies are biased in dealing with cases that involve independent media. Investigations into violence against journalists covering public assemblies in 2015 (during the ElectricYerevan demonstrations) and 2016 (during peaceful protests in support of the armed group Sasna Tsrer) have been shallow and ineffective. Very few complaints have reached the courts and those move through the litigation rather slowly.”
References	https://freedomhouse.org/report/nations-transit/2018/armenia http://khosq.am/reports/%D5%B0%D5%A1%D5%B5%D5%A1%D5%BD%D5%BF%D5%A1%D5%B6%D5%B8%D6%82%D5%B4-%D5%AD%D5%B8%D5%BD%D6%84%D5%AB-%D5%A1%D5%A6%D5%A1%D5%BF%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%AB%D5%B3%D5%A1%D5%AF%D5%AB-13

Target 16.4: By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime

Indicator 16.4.1:	Total value of inward and outward illicit financial flows (in current United States dollars)
Indicator 16.4.2:	Proportion of seized, found or surrendered arms whose illicit origin or context has been traced or established by a competent authority in line with international instruments.

3. Anti-money laundering

Indicator number	3.1
Indicator question(s)	Has the country adopted a law to criminalize money laundering, in line with recommendation 3 of the Financial Action Task Force (FATF)?
Scoring	● 0.75: Largely compliant

Response	According to the most current FATF evaluation, Armenia is largely compliant with recommendation 3 and has met all its criteria except the one that relates to criminal liability of legal entities.
References	http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/MONEYVAL(2015)34_5thR_MER_Armenia.pdf , pp. 112-114

Indicator number	3.2
Indicator question(s)	Has the government, during the last three years, conducted an assessment of the money laundering risks related to legal persons and arrangements, in line with Principle 2 of TI's "Just for Show?" report? Has the final risk assessment been published?
Scoring	● 0.5: A risk assessment was carried out but only its executive summary has been published.
Response	In 2017, the Armenian government updated the National Risks Assessment (NRA), first conducted in 2014, and published only the executive summary of the assessment. The summary document mentions that "by the end of 2016, while making the necessary arrangements for the preparation and conduct of the next round of NRA, the Working Group under the Interagency Committee suggested and in June 2017, during the 33 rd session, the Interagency Committee approved the approach for updating the national ML/FT risk assessment in sectors a) where significant developments were observed, and b) in which recommendations were provided by evaluators in the scope of the 5th Round Mutual Evaluation of Armenia's AML/CFT system conducted by the Council of Europe MONEYVAL Committee."
References	https://www.cba.am/Storage/EN/FDK/risk_assesment/NRA_Update_Executive_Summary(Public)_eng.pdf , page 1

Indicator number	3.3
Indicator question(s)	Are financial institutions (banks) prohibited by law from keeping anonymous accounts and are they required to undertake due diligence on their customers, in line with FATF recommendation 10?
Scoring	● 1: Financial institutions are prohibited by law from keeping anonymous accounts; they are also required to undertake due diligence on their customers, in line with FATF recommendation 10.
Response	The RA Law on Anti-Money Laundering and Counter Financing of Terrorism Article 15 stipulates that, in Armenia, the opening of anonymous accounts is prohibited. As for due diligence, Armenia is largely compliant with FATF Recommendation 10 and, out of 20 criteria, Armenia meets all except for 10.12 and 10.20.
References	http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/MONEYVAL(2015)34_5thR_MER_Armenia.pdf , page 130

Indicator number	3.4
Indicator question(s)	Are financial institutions required by law to inform relevant authorities when they suspect (or have reasonable grounds to suspect) that funds are the proceeds of criminal activity, in line with FATF recommendation 20?
Scoring	● 1: Financial institutions are prohibited by law from keeping anonymous accounts; they are also required to undertake due diligence on their customers, in line with FATF recommendation 10.
Response	Armenia's legislation is fully compliant with FATF recommendation 20. Especially Article 6 part 2 of the Law on Anti-Money Laundering and Counter Financing of Terrorism has an explicit requirement towards this end. A similar requirement is included in Article 7 of the law.
References	http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/MONEYVAL(2015)34_5thR_MER_Armenia.pdf , page 140

Indicator number	3.5
Indicator question(s)	Are designated non-financial businesses and professions (DNFBPs) – casinos, real estate agents, jewellers, lawyers, notaries, other legal professionals, accountants, and trust and company service providers – required to carry out customer due diligence, to keep records, and to report suspicious transactions to the financial intelligence unit, in line with FATF recommendations 22 and 23?
Scoring	● 1: Designated non-financial businesses and professions by law are required to carry out customer due diligence, to keep records and to report suspicious transactions, in line with FATF recommendations 22 and 23.
Response	DNFBPs are required to conduct customer due diligence, to keep records to report suspicious transactions. Armenia is in compliance with FATF recommendation 23 and is largely compliant with recommendation 22. In regard to recommendation 22 (DNFBPs customer due diligence), the only reason for being largely, rather than fully, in compliance is the partial implementation of requirement 22.3 that is linked with recommendation 12 on Politically Exposed persons (PEPs). In particular, <i>“Armenia does not have any legislative measures relating to domestic PEPs or persons who are or have been entrusted with a prominent function by an international organization.”</i>
References	http://www.fatf-gafi.org/media/fatf/documents/reports/mer-fsrb/MONEYVAL(2015)34_5thR_MER_Armenia.pdf , pages 132, 140-141

Indicator number	3.6
Indicator question(s)	Does the law require financial institutions to conduct enhanced due diligence in cases where the customer or the beneficial owner is a

	PEP (politically exposed person) or a family member or close associate of a PEP?
Scoring	● 0.5: Yes, but the law does not cover both foreign and domestic PEPs nor their close family and associates.
Response	The RA Law on Anti-Money Laundering and Counter Financing of Terrorism stipulates two important concepts: “high risk criteria” and “additional study”. The concept of “additional study” is equivalent to the concept of “enhanced due diligence”. Definitions of both concepts are provided in Article 3 of the law. The former also covers foreign PEPs and their relatives and beneficial owners. According to Article 18, part 2 of the same law, in cases high risk criteria, the reporting person shall conduct additional study. The same shall also be done in cases where, in the course of business relationships or conduct of transaction, high risk criteria arise.
References	https://www.cba.am/Storage/EN/regulations/AML_CFT_Law_eng.pdf

Indicator number	3.7
Indicator question(s)	Does the law require enhanced due diligence by DNFBPs in cases where the customer or the beneficial owner is a PEP or a family member or close associate of the PEP?
Scoring	● 0.5: Yes, but the law does not cover both foreign and domestic PEPs and their close family and associates.
Response	The legal arguments for answering positively to this question is the same as for question 3.6. Additionally, the concept of “reporting persons” is provided in Article 3, point 4 of the same law and it covers also DNFBPs.
References	RA Law on Anti-Money Laundering and Counter Financing of Terrorism

Indicator number	3.8
Indicator question(s)	Has the country signed the multilateral competent authority agreement on the exchange of country-by-country reports on key indicators of multinational enterprise groups?
Scoring	● 0: No
Response	Armenia has not signed the multilateral competent authority agreement.
References	N/A

Indicator number	3.9
Indicator question(s)	Has the country signed the competent authority multinational agreement on automatic exchange of financial account information?
Scoring	● 0: No
Response	Armenia has not signed the competent authority multinational agreement on automatic exchange of financial account information.
References	N/A

Indicator number	3.10
Indicator question(s)	How is the jurisdiction's performance on the exchange of information for tax purposes on request assessed by the OECD's Global Forum on Transparency and Exchange of Information for Tax Purposes?
Scoring	● N/A: Not applicable or no data available.
Response	Not applicable. Armenia has not been rated yet, although it is a member of Global Forum.
References	https://compareyourcountry.org/tax-cooperation https://www.oecd.org/tax/transparency/exchange-of-information-on-request/ratings/#d.en.342263

Indicator number	3.11
Indicator question(s)	What is the country's score in the Basel Institute on Governance's Basel Anti-Money Laundering Index https://index.baselgovernance.org/?
Response	According to the 2017 Index, Armenia received 4.44 and occupies the 134 th position among 146 ranked countries in the Basel Institute on Governance's Basel Anti-Money Laundering Index (146 is the best rank and 1 is the worst rank). It must be noted that this is a fairly high score and Armenia is just 12 places behind Finland, the top-ranked country. The website of the index does not contain data on previous years.
References	https://index.baselgovernance.org/ranking

Indicator number	3.12
Indicator question(s)	What is the country's secrecy score in the Tax Justice Network's Financial Secrecy Index https://financialsecrecyindex.com/introduction/fsi-2018-results?
Response	Armenia is not included among the evaluated countries. Neither was it included in the 2015 rankings.
References	https://financialsecrecyindex.com/introduction/fsi-2018-results

Indicator number	3.13
Indicator question(s)	What is the estimated illicit financial outflow of funds from your country in the latest available year, according to Global Financial Integrity http://www.gfintegrity.org/issues/data-by-country?
Response	According to Global Financial Integrity data from 2013, Armenia's illicit financial flows in 2013 were 1,848 million USD. This number has gradually increased since 2011. In 2011, it was 1,197 million USD. In 2012, it was 1,285 million USD.
References	http://www.gfintegrity.org/issues/data-by-country?

Indicator number	3.14
Indicator question(s)	Is there evidence that money laundering is effectively prosecuted?

Response	According to 2017 statistics published by the Prosecutor General's Office, no new criminal cases were opened in 2017 on money laundering charges. In 2017, there were 8 ongoing money laundering cases, which began their investigations before 2017 and one of them was sent to court for trial. One case was terminated on the grounds that the law enforcement authorities declared a search for the suspect. Another case was merged with one of the cases. In total, 5 persons were under investigation and 3 of them were arrested. The Financial Monitoring Center of the Central Bank, in its 2017 annual report, notes that there was only one case which was tried by the court for a money laundering offence, and another 3 convictions by the court were connected with money laundering and were committed prior to money laundering (predicate crime). Armenia's law enforcement and judiciary need extensive training on money laundering and especially in proving the intent of legalization. In this regard, the Armenian Criminal Procedure Code is missing an important general provision (enshrined in international legal instruments, particularly – the UN 1988 Drug Convention) to stipulate that purpose, intent and knowledge of the perpetrator can be inferred from the factual circumstances of a case.
References	http://www.prosecutor.am/myfiles/files/pdf/Korupcia.pdf, page 4 https://www.cba.am/Storage/AM/downloads/FDK/Annual%20Reports/FMC_Annual%20Report_2017_arm.pdf, page 13

Indicator number	3.15
Indicator question(s)	How many suspicious transaction reports did financial institutions and different types of DNFBPs file in the last two years for which data is available?
Response	According to the Financial Monitoring Center of the Central Bank, in 2017, 280 suspicious transactions and/or business relationships were reported, out of which 259 were banks. Reports had the following structure: 178 reports related to resident natural persons of Armenia; 49 related to non-resident natural persons of Armenia; 93 reports related to resident legal entities and 79 related to non-resident legal entities. Prior to this, in 2016, the reported number of suspicious transactions and/or business relationships was 256, of which 245 were banks. Reports had the following structure: 214 reports related to resident natural persons of Armenia; 32 related to non-resident natural persons

	of Armenia; 73 reports related to resident legal entities and 60 to non-resident legal entities.
References	https://www.cba.am/Storage/AM/downloads/FDK/Annual%20Reports/FMC Annual%20Report 2017_arm.pdf , pages 4-5

Indicator number	3.16
Indicator question(s)	Have there been any noteworthy changes or developments in the past two years that indicate an improvement or deterioration in the framework or practice to prevent and fight money laundering?
Response	Relevant improvements took place in March 2018 with the amendment to the Law on Combatting Money Laundering and Terrorism Financing. A number of articles in the Law were altered and amended in order to introduce the concept of “people connected with weapons of mass destruction”.
References	https://www.cba.am/Storage/EN/regulations/AML_CFT_Law_eng.pdf

4. Beneficial ownership transparency

Indicator number	4.1
Indicator question(s)	To what extent does the law in your country clearly define beneficial ownership?
Scoring	● 1: Beneficial owner is defined as a natural person who directly or indirectly exercises ultimate control over a legal entity or arrangement, and the definition of ownership covers control through other means, in addition to legal ownership.
Response	The Law on Combatting Money Laundering and Terrorism Financing provides the definition of beneficial owner. According to Article 3, part 1, point 14 “Beneficial owner shall be the natural person, on behalf of or for the benefit of whom the customer acts in reality; and/or who in reality controls the customer or the person on behalf of or for the benefit of whom the transaction or the business relationship is conducted; and/or who owns the customer, which is a legal person; or the person on behalf of or for the benefit of whom the transaction or the business relationship is conducted. With respect to legal persons, the beneficial owner shall also be the natural person who exercises actual (real) control over the legal entity or the transaction or the business relationship, and/or for the benefit of whom the transaction or the business relationship is conducted. The beneficial owner of a legal person may also be the natural person, who: a. Holds, with voting power, 20 or more percent of the voting shares (stocks, equity interests, hereinafter: shares) of the legal person involved (except for the listed issuers (public companies) as defined by the Republic of Armenia Law on the Securities Market), or has the

	capacity to predetermine its decisions by virtue of his shareholding or due to a contract concluded with the legal person; or b. Is a member of the executive and/or governance body of the legal person involved; or c. Acts in concert with the legal person involved, on the basis of common economic interests.
References	RA Law on Combatting Money Laundering and Terrorism Financing

Indicator number	4.2
Indicator question(s)	Does the law require that financial institutions have procedures for identifying the beneficial owner(s) when establishing a business relationship with a client?
Scoring	● 1: Yes, financial institutions are always required to identify the beneficial owners of their clients when establishing a business relationship.
Response	On the one hand, part 2 of Article 16 of the Law on Combatting Money Laundering and Terrorism Financing stipulates that “Reporting entities should undertake customer due diligence, when: 1) establishing a business relationship; 2) carrying out an occasional transaction (linked occasional transactions), including domestic or international wire transfers, at an amount equal or above the 400-fold of the minimal salary, unless stricter provisions are established by the legislation; 3) doubts arise with regard to the veracity or adequacy of previously obtained customer identification data (including documents); 4) suspicions arise with regard to money laundering or terrorism financing.” On the other hand, Article 3, point 12 of the same law defines business relationship as the services provided by the reporting entity to the customer on a regular basis, which are not limited to one or several occasional transactions. “Business relationship” does not include those activities of the reporting entity, which are conducted by the reporting entity for its own needs and are different from the activities stipulated by the law for the given type of reporting entity. According to part 5, Article 16: “Reporting entities should determine whether the customer is acting on behalf of and/or for the benefit of another person. Reporting entities should establish any beneficial owner and, as applicable, identify the beneficial owner and verify his identity, in accordance with parts 1 to 4 and part 8 of this Article.”
References	https://www.cba.am/Storage/EN/regulations/AML_CFT_Law_eng.pdf

Indicator number	4.3
Indicator question(s)	Does the law specify which competent authorities (ex. financial intelligence unit, tax authorities, public prosecutors, anti-corruption agencies, etc.) have access to beneficial ownership information?
Scoring	● 1: Yes, the law specifies that all law enforcement bodies, tax agencies, and the financial intelligence unit should have access to beneficial ownership information.
Response	The Article 13 of the Law on Combatting Money Laundering and Terrorism Financing regulates the relationship of the authorized body –

	the Financial Monitoring Center of the Central Bank with other bodies. The access to beneficial ownership information is not specified. However, part 4 of the Article stipulates: <i>“Upon the request of criminal prosecution authorities, the authorized body shall provide the available information, including classified information as defined by the law, provided that the request contains sufficient substantiation of a suspicion or a case of money laundering or terrorism financing. Such information shall be provided within a 10-day period, unless a different timeframe is specified in the request or, in the reasonable judgment of the authorized body, a longer period is necessary for responding to the request.”</i> Part 1 of the same Article stipulates that, in order to effectively combat money laundering and terrorism financing, the authorized body shall cooperate with other state bodies in the manner and within the framework established by this Law, including cooperation with supervisory and criminal prosecution authorities, by means of concluding bilateral agreements, or without doing so. This also includes the tax authorities as, under the Criminal Procedure Code, the latter are put in charge of investigations of certain types of cases. This means two things: first, the financial intelligence unit (Financial Monitoring Center) is itself the holder of the information and, second, all relevant bodies can apply to it to receive relevant information. Besides, it must be mentioned that the State Registry for Registration of Legal Entities also collects information on beneficial ownership. According to Article 66 of the RA Law on Registration of Legal Entities, those commercial bodies whose charter capital exceeds 20 million AMD (change of capital, investment and etc.) shall provide a declaration on beneficial ownership, which means the personal data of the investor or party of the transaction and, if it is a legal entity, then the state registration number, name of the company, address and the legal entity’s taxpayer registration number. In addition, in cases of a change of participants, charter capital or state registration of commercial entity, it shall again present a declaration to the State Registry, which shall notify the Central Bank in case it finds that the provided declaration is fake or not complete.
References	RA Law on Registration of Legal Entities RA Law on Combatting Money Laundering and Terrorism Financing

Indicator number	4.4
Indicator question(s)	Which information sources are competent authorities allowed to access for beneficial ownership information?

Scoring	● 1: Information is available through a central beneficial ownership registry/company registry.
Response	As mentioned in the previous question, the authorized body, the Financial Monitoring Center, is in charge of cooperating with other authorities. Thus, the competent authorities, such as Law Enforcement Bodies, shall make all their information requests to this unit of the Central Bank. The scope of the information provided by inquiring authorities shall be based on the substantiation of a suspicion of money laundering or terrorism financing. Also, it should be mentioned that the State Registry of Legal Entities is accessible for state bodies.
References	N/A

Indicator number	4.5
Indicator question(s)	Which public authority supervises/holds the company registry?
Response	The companies register is maintained by the Agency for State Register of Legal Entities of the Ministry of Justice of Armenia.
References	www.e-register.am

Indicator number	4.6
Indicator question(s)	What information on beneficial ownership is recorded in the company registry?
Scoring	● 0.75: Information is partially recorded
Response	As was mentioned in some of the cases and according to Article 66 of the RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs , there are certain data that must be included in the declaration: 1) Data of the investor, authorized body, beneficial owner in the charter capital, including: a. First and last name, place of residence, place of registration, date of birth, citizenship, number, series and date of issue of ID, number of social card or note on refusal to take a social card and the number of the relevant document, state registration number of individual entrepreneur and taxpayer registration number of the participant who is natural person or individual entrepreneur; b. In cases where a participant is a legal entity, the authorized person or beneficial owner, the following data is required: name; place of residence; number of state registration; tax payer registration number; c. Amount of investment; d. Size of charter capital as a result of investment; e. Date of investment; f. In case of a suspicious transaction the grounds for considering it as suspicious, the criteria and their description.

References	RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs
------------	--

Indicator number	4.7
Indicator question(s)	What information on beneficial ownership is made available to the public?
Scoring	● 0: No information is published, or accessible information is insufficient to identify direct or beneficial owners.
Response	There is no information available to the public.
References	NA

Indicator number	4.8
Indicator question(s)	Does the law require legal entities to update information on beneficial ownership, shareholders, and directors provided in the company registry?
Scoring	● 0.25: Yes, but the law does not specify a specific timeframe.
Response	According to Article 66, part 3 of the RA Law on Registration of Legal Entities, the legal entity is obliged to provide a declaration on beneficiary owners to the State Registry of Legal Entities in cases of alterations to state registration, charter capital or participants of a legal entity. Besides, if the charter capital reaches 20,000,000 AMD they shall also provide a declaration on beneficial owners. The timeframe for providing a declaration is regulated by RA Law on Anti-Money Laundering and Counter Financing of Terrorism, by Article 9 (part 1), which stipulates that the timeframe is set by the authorized body.
References	RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs RA Law on Anti-Money Laundering and Counter Financing of Terrorism

Indicator number	4.9
Indicator question(s)	Is there a registry which collects information on trusts?
Scoring	● 0.5: Yes, there is a registry of trusts, but information available to the public is not sufficient to identify the beneficiaries/beneficial owners.
Response	The legal form of Trusts under Armenia's legislation is Limited Partnership. According to part 1 of Article 90 of the RA Civil Code, "A limited partnership is a partnership in which, along with participants conducting entrepreneurial activity in the name of the partnership and being liable for the obligations of the partnership with their property (general partners), there are one or more contributor-participants (limited partners), who bear the risk of losses connected with the activity of the partnership within the limits of the amounts of contributions made by them and do not take part in the conduct by the partnership of entrepreneurial activity." Parts 2 and 3 of Article 1 of the RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs

	stipulate certain forms of legal entities. The peculiarities of registration are being governed by other legal acts. Those are banks, loan companies, investment funds, corporate investment funds, governors of investment funds, operators of market regulators, insurance companies, foundations of commercial paper and securities, central depository, re-insurance companies, bureau of insurance companies which implement mandatory insurance of responsibility caused by using auto-transport vehicles, administrators of pension funds and branches and representations of these organizations; institutions; as well as branches and representations of foreign companies like aforementioned entities. The same applies to Investment Funds based on Contract. As can be seen from the above, the “limited liability company” is missing from the list. Besides, in the website www.e-register.am, companies can also be searched by their legal structure as a “limited liability company.” The score of 0.5 is conditioned on the fact that all the information and data on legal entities is not available free-of-charge; one must pay a state fee of 3000 AMD.
References	RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs RA Civil Code

Indicator number	4.10
Indicator question(s)	What is the country’s score in the Open Company Data Index produced by Open Corporates http://registries.opencorporates.com?
Response	Armenia received 25 points out of a possible 100 on the Open Company Data Index (2012), which is a low result. The index scores countries across 6 categories: freely searchable basic data on companies; open license; free availability of data; publicly available data on directors; annual accounts; data on shareholders. Armenia only got points for the 1st category: freely searchable basic data on companies. The situation on company transparency has not changed since 2012. For the first component (freely searchable basic data on companies) Armenia received 20 points out of 20, which means that basic data on companies is accessible. For the second component (licensing) Armenia received 5 points out of 30, which means that there is no licensing. The situation in regard to transparency of companies has not been changed since 2012.

References	http://registries.opencorporates.com
------------	---

Indicator number	4.11
Indicator question(s)	How strong is the level of transparency of the company registry in practice?
Response	The registry of legal persons is accessible at www.e-register.am. It is searchable by such parameters as the name of the company, names of executives and founders of the company. In the free version of the registry there is access only to the names of the founders of legal entities. For additional information, one needs to pay 3000 AMD (approximately 5 euros). As mentioned above, the registry does not have any information on beneficial ownership. It should be noted that the registry does not contain information about open or closed joint stock companies. It is not mandatory to share companies' annual accounts and other fillings. Registration is required for the entity to be legally valid and/or allowed to operate in the country.
References	www.e-register.am

Indicator number	4.12
Indicator question(s)	Have there been any developments in the past two years that indicate an improvement or deterioration of the transparency of corporations and other legal entities?
Response	The main development which took place during the last 2 years is connected with article 66 of RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs (altered on 17.11.2016). This article stipulated a requirement for legal entities to provide a report on beneficial owners.
References	RA Law on State Registration of Legal Entities, State Registration of Separated Divisions, Facilities and Individual Entrepreneurs

5. Recovery of stolen assets

Indicator number	5.1
Indicator question(s)	Does the country have a specific asset recovery policy?
Scoring	● 1: A comprehensive asset recovery policy is in place.
Response	The main provisions of an asset recovery policy in Armenia can be found in the RA Criminal Code and the RA Criminal Procedure Code. According to the RA Criminal Procedure Code "asset recovery" is the

"process of tracing, freezing, confiscating and returning to their country of origin funds that have been obtained through illegal means."

However, there is not a single provision in the RA Criminal Procedure Code, which is solemnly devoted to "asset recovery". Instead, there are general provisions in chapters 54 and 54¹ of the RA Criminal Procedure Code: "Legal Assistance for Criminal Cases in accordance with International Treaties" and "Legal Assistance for Criminal Cases in Cases of Absence of International Treaties".

The principle of the legal framework is that, if there is an international treaty signed with a country, then requests shall be sent to the law enforcement bodies (or other authorities) of a country in accordance with the signed treaty between Armenia and that country. If the case is at the pre-trial stage, then the main focal point shall be the RA Prosecutor General's Office and, if the case is at the trial stage, then the main focal point shall be the RA Ministry of Justice. Focal point here means that a request to conduct procedural activities shall be communicated through that institution.

The cornerstone of regulations is the notion of "procedural activities," which is defined as the "activities during the proceedings of a case as prescribed by this code" (Article 6, RA Criminal Code). This encompasses all activities starting from the moment of deciding to open a criminal file, as the notion "proceedings of case" starts from the moment of deciding to open a criminal file and includes procedural activities and decisions adopted during the case" (Article 6, RA Criminal Code).

The other notions for asset recovery as "confiscation" and "forfeiture" are present in Articles 55 and 103.1 of the RA Criminal Code, while "arrest of property" is defined in Article 233 of the RA Criminal Procedure Code. Besides, the fate of "material evidences" is regulated by the latter's Article 119.

Thus, the Criminal Code and Criminal Procedure Code comprehensively lay down the necessary tools for asset recovery. In this regard, it must be noted that, in cases without an international treaty, the Criminal Procedure Code does not stipulate any restrictions in terms of the scope of the request to a foreign state, because it stipulates that the request must mention "procedural activity," which is being requested to conduct (Article 483, part 2, RA Criminal Code). This means that the scope of requests can be quite broad. Nevertheless, Armenian legislation does not provide for the forfeiture of property/assets prior to the final decision of the court.

	Besides, there were no special speeches by public officials or politicians during this period. Also, no publicly accessible evidence was found indicating that resources are devoted for “asset recovery”.
References	https://www.baselgovernance.org/theme/icar RA Criminal Code RA Criminal Procedure Code

Indicator number	5.2
Indicator question(s)	Has the country established a wide range of asset recovery mechanisms, including a) measures that allow for the seizure and confiscation of proceeds from money laundering without requiring a criminal conviction (non-conviction based confiscation), b) a policy that requires an offender to demonstrate that the assets were acquired lawfully, and c) the recognition/enforceability of foreign non-conviction based confiscation/forfeiture orders?
Scoring	0.25: One of the above mechanisms has been adopted.
Response	In regard to measures that allow for seizure and confiscation, the situation is the following: a. Confiscation is possible only if the person was convicted by court (RA Criminal Code Article 55, part 1); b. Seizure can be exercised against the suspect and accused (RA Criminal Procedure Code, Article 232, part 2). In Armenia there is no policy that would require an offender to demonstrate that the assets were acquired lawfully. Although “illicit enrichment” was introduced in the Criminal Code, it relates only to the high-ranking officials and the burden of proof was not switched to the accused. As a result, despite the fact of criminalization of illicit enrichment, the unexplained wealth cannot be effectively used to prove any of the predicate crimes that potentially have generated that wealth. The recognition/enforceability of foreign non-conviction-based confiscation/forfeiture orders is regulated in two ways: a. If there is an international treaty, then it is regulated in accordance with that treaty; b. If there is no international treaty, then legal assistance (including enforcing foreign confiscation/forfeiture orders) takes place on the basis of reciprocity agreed between the two countries achieved by diplomatic channels (RA Criminal Procedure Code, Article 482). It should be mentioned that the enforcement of a request may be denied if it can damage independence, constitutional order, sovereignty

	or security of the Republic of Armenia or contradicts with legislation (RA Criminal Procedure Code, Article 484, part 2, par. 2).
References	RA Criminal Code RA Criminal Procedure Code

Indicator number	5.3
Indicator question(s)	Has the country created a specialized asset recovery team or unit?
Scoring	● 0.25: There is a team, unit or agency that specializes in asset recovery but the legal framework fails to provide sufficient political independence and resources for this body.
Response	There is no specialized asset recovery unit as such. The functions of asset recovery are being exercised by the Prosecutor General's International-Legal Cooperation Department and the Ministry of Justice International Legal Cooperation Department. Both are structural departments within the respective institutions and do not have independent budgets. These 2 actors are mentioned because they cooperate with foreign counterparts depending at which state the trial is (pre-trial or adjudication). If it is at the pre-trial stage, then the Prosecutor General's Office is in charge and if it is at the adjudication stage, then the responsible authority is the Ministry of Justice. As for domestic matters (domestic asset recovery), there is a Service of Compulsory Enforcement of Judicial Acts which is a service subordinated to the Ministry of Justice.
References	http://www.prosecutor.am/en/Prosecutor-structure http://moj.am/en/structures/view/structure/1 http://moj.am/en/structures/view/structure/16

Indicator number	5.4
Indicator question(s)	Is there evidence of a strong political commitment to promoting asset recovery?
Response	The government and national political leaders have not shown any interest in this matter except for the opposition. A leader of the YELQ parliamentary opposition faction, Nikol Pashinyan, who later became the Prime Minister, on many occasions, mentioned that millions of dollars are illegally taken out of the country annually. Former MP Aram Manukyan made the same allegation.
References	https://www.youtube.com/watch?v=a3SiVHY9ow8&t=1251s

Indicator number	5.5
Indicator question(s)	Does the country actively participate in international cooperation networks focusing on asset recovery?

Response	Armenia participates in the Open-ended Intergovernmental Working Group on Asset Recovery of UNCAC, in the Egmont Group and in MONEYVAL and is an observer in the FATF Eurasian Group. As was mentioned above, there are units for mutual legal assistance within the Ministry of Justice and Prosecutor General's Office. There is no relevant public information available about the focal points, which also deal with questions of asset recovery, as the issue falls under their jurisdiction. Regarding efforts to improve the capacity to respond to queries, there is no relevant information available. Neither is there information about encouraging spontaneous disclosures by the authorities to facilitate an international response nor providing technical assistance to developing countries.
References	https://egmontgroup.org/en/content/armenia-financial-monitoring-center http://www.fatf-gafi.org/pages/moneyval.html http://www.fatf-gafi.org/pages/eurasiangroupeag.html

Indicator number	5.6
Indicator question(s)	Is there public evidence of any asset recovery cases involving your country in the past two years? a. Is there public evidence of proactive enforcement actions? Is there evidence of a proactive information exchange concerning proceeds of corruption with relevant stakeholders from other countries? b. Has there been adequate transparency and accountability with regard to the confiscation of assets and their return?
Response	In Armenia, during recent years, there were no publicized cases of returning assets to the country of origin. There are no known cases of proactive enforcement actions or proactive information exchange. In recent years, there have not been cases of confiscation of assets and their return. Hence, the issue of transparency and accountability is not applicable. There was only one instance, where a criminal case was opened against Mihran Poghosyan when the head of Service of Compulsory Enforcement of Judicial Acts appeared in the „Panama Papers.“ M. Poghosyan was publicly alleged to have hidden vast incomes in offshore accounts in Panama.¹⁶ As the scandal broke out, he resigned from his office and a criminal file was opened. However, soon after, the relevant law enforcement body closed the case on the grounds that they did not have proof of guilt, given that they sent a relevant query to Swiss authorities but did not receive any response. In reality, as later

¹⁶<https://offshoreleaks.icij.org/nodes/12135003>

	clarified by the Swiss, the Armenian law enforcement agency sent an invalid query, ¹⁷ which virtually made it impossible for the Swiss authorities to effectively cooperate. Later, in merely a year, through controversial elections in April 2017, M.Poghosyan was elected to the National Assembly as a representative of the ruling Republican Party of Armenia.
References	https://www.occrp.org/en/daily/6012-armenia-ends-probe-into-mihran-poghosyan-s-panama-papers-scandal-for-lack-of-evidence http://hetq.am/eng/news/76256/swiss-ambassador-to-armenia-reaffirms-that-armenian-law-enforcement-botched-request-for-legal-aid-in-mihran-poghosyan-investigation.html

6. Fight against organised crime

Indicator number	6.1
Indicator question(s)	Is there evidence of strong public trust in the integrity of the police?
Response	According to GCB 2016, 40% of respondents in Armenia considered the police to be a corrupt institution. The police were perceived as the 6 th worst institution, surpassed by the judiciary (41%); MPs (42%); tax officials (43%); the office of the President/Prime Minister (44%); and public officials (45%).
References	https://transparency.am/storage/GCB2016_Tables_am.pdf

Indicator number	6.2
Indicator question(s)	Is there evidence, for example through media investigations or prosecution reports, of a penetration of organised crime into the police, the prosecution, or the judiciary? If no, is there evidence that the government is alert and prepared for this risk?
Response	There is no information regarding the penetration of criminals into law enforcement agencies and the judiciary. A search of online media outlets has not delivered any relevant reports. However, it must be mentioned that some officials have quite good relationships with the representatives of organized crime and even allow them to hold a diplomatic passport, which, taken into consideration the autocratic situation in Armenia, cannot take place without the knowledge of the President. There still exists the “criminal culture” developed during soviet times, which praises the practices of men governed by an unwritten code of honour. There is fear but also some moderate tolerance towards these groups by the people, but also by the law enforcement bodies. It should be mentioned that such groups take an active role in supporting the ruling party during the elections.

¹⁷<https://hetq.am/eng/news/75066/armenia-ends-probe-into-mihran-poghosyans-panama-papers-scandal-for-alleged-lack-of-evidence.html>

References	http://armtimes.com/hy/article/112240
------------	---

Indicator number	6.3
Indicator question(s)	Is there evidence of effective policing against organised crime by (specialized) law enforcement units? Do these bodies have sufficient independence, resources, capacity and adequate integrity mechanisms to be effective?
Response	The police have a General Department on Combating Organized Crime, which is a part of the police structure and hence dependent on police leadership. The Special Investigating Service has sufficient independence to combat, within the framework of their jurisdiction (crimes perpetrated by officials), such manifestations of organized crime as multi-layer corruption and illicit enrichment.
References	http://www.police.am/en/structure/subdivisions/the-ra-police-central-office.html

7. Arms trafficking

Indicator number	7.1
Indicator question(s)	Has the country ratified the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organised Crime?
Scoring	● 0: The Protocol has not been ratified.
Response	Armenia has not ratified the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition.
References	www.arlis.am

Indicator number	7.2
Indicator question(s)	Has the country signed and ratified the Arms Trade Treaty (ATT)?
Scoring	● 0: The ATT has not been signed or ratified
Response	Armenia has not signed and ratified the Arms Trade Treaty.
References	www.arlis.am

Indicator number	7.3
Indicator question(s)	Does the government have a well-scrutinised process for arms export decisions that aligns with international protocols, particularly the Arms Trade Treaty?
Response	Armenia has not signed the ATT. The country scored 0 on question 21 of the TI Government Defence Index (2015) that asked whether the government had a well-scrutinized process for arms export decisions

	that aligns with international protocols, particularly the ATT. The report noted that the score was conditioned by the fact that Armenia has not signed the ATT and that the lack of transparency makes it impossible to verify whether anti-corruption provisions in domestic law are being adhered to.
References	http://government.defenceindex.org/generate-report.php?country_id=6253 http://government.defenceindex.org/countries/armenia/

Indicator number	7.4
Indicator question(s)	Are there independent, well-resourced, and effective institutions within the defence and security apparatus tasked with building integrity and countering corruption?
Response	There is an Internal Audit Department within the Ministry of Defence; however, the TI Government Defence Index (question 8) noted that “overall, the effectiveness of institutions is unclear.” The Ministry also has a Human Rights and Integrity Center and Control Department, but there is not enough information to assess their effectiveness. It must be noted that during the 4-day war with Azerbaijan in April 2016, many corruption cases were revealed, in particular connected with embezzlement of fuel and ammunition. In this regard, Freedom House’s Nations in Transit 2017 notes: <i>“Although the most intense fighting lasted only four days, Azerbaijan’s assault had significant political repercussions in Armenia, generating a public outcry over corruption in the military and shattering trust in the Armenian authorities’ ability to ensure security.”</i> See also the response to question 6.3.
References	http://www.mil.am/en/structures/8 http://www.mil.am/en/structures/55 https://freedomhouse.org/report/nations-transit/2017/armenia http://government.defenceindex.org/generate-report.php?country_id=6253

Indicator number	7.5
Indicator question(s)	How effective are controls over the disposal of assets? Is information on these disposals and the proceeds of their sale transparent?
Response	According to the TI Government Defence Index, <i>“The Government, upon the presentation of the State Property Management Department and with the consent of the relevant agency, adopts a decision on the disposal of assets. The asset disposal is conducted through auction, tender or sales. In case of sales, the Government also approves the name of the buyer and the price.”</i> It is also noted that <i>“information on the maintenance and disposal of weapons and munitions is not available. Planning and implementation for such issues is regulated by internal orders of the Ministry of Defense.”</i> In regard to independent control, the same index notes that <i>“independent control over asset disposal is exercised by the Chamber of Control; however, the Chamber has never published asset disposal</i>

	<i>reports relating to the Ministry of Defense, which casts doubt on its effectiveness.”</i> In 2016, TIAC analyzed the corruption risks related to the privatization of assets in the military. The study revealed that the legislation does not set rules for the assessment and privatization of assets in general, and for military assets that supposedly contain state or service secret in particular. The secrecy regime of military-related information is being manipulated, which provides an opportunity for corrupt deals.
References	http://government.defenceindex.org/generate-report.php?country_id=6253 https://transparency.am/files/publications/1468265483-0-227376.pdf

Indicator number	7.6
Indicator question(s)	How do you assess the integrity and corruption risks related to customs and border officials? Do customs and border agency have adequate capacity and resources to ensure effective control of goods moving in and out of the country?
Response	There is no information reported by mass media on cases of bribery for illegal arms trafficking on the border of Armenia. Customs and border services are quite well-equipped with sophisticated technical facilities. Although, the customs office is generally considered as corrupt, in the last 3 years, the media has not reported on their involvement in illegal arms trafficking.
References	NA

Target 16.5: Substantially reduce corruption and bribery in all their forms.

Indicator 16.5.1:	Proportion of persons who had at least one contact with a public official and who paid a bribe to a public official, or were asked for a bribe by those public officials, during the previous 12 months
Indicator 16.5.1:	Proportion of businesses that had at least one contact with a public official and that paid a bribe to a public official, or were asked for a bribe by those public officials during the previous 12 months

8. Experience and perceptions of corruption

Indicator number	8.1
Indicator question(s)	% of respondents state that they or a member of their household made an unofficial payment or gift when coming into contact with public services over the past 12 months, according to Transparency International's Global Corruption Barometer (or similar national surveys).

Response	24% of respondents state that they or a member of their household made an unofficial payment or gift when coming into contact with public services over the past 12 months, according to Transparency International's GCB 2016.
References	https://transparency.am/storage/GCB2016_Tables_am.pdf

Indicator number	8.2
Indicator question(s)	% of respondents state that corruption or bribery is one of the three most important problems facing this country that the government should address, according to Transparency International's Global Corruption Barometer (or similar national surveys).
Response	37% of respondents state that corruption or bribery is one of the three most important problems facing this country that the government should address, according to Transparency International's GCB 2016.
References	https://transparency.am/storage/GCB2016_Tables_am.pdf

Indicator number	8.3
Indicator question(s)	% of respondents state that their government performs "badly" at fighting corruption in government, according to Transparency International's Global Corruption Barometer.
Response	65% of respondents state that their government performs "badly" at fighting corruption in government, according to Transparency International's GCB 2016.
References	https://transparency.am/storage/GCB2016_Tables_am.pdf

Indicator number	8.4
Indicator question(s)	In Transparency International's most recent Corruption Perceptions Index 2016, the country scored ___ points on a scale of 0 (highly corrupt) to 100 (very clean), ranking ___ out of 176 countries.
Response	In Transparency International's most recent Corruption Perceptions Index 2017, the country scored 35 points on a scale of 0 (highly corrupt) to 100 (very clean), ranking 107 th out of 180 countries.
References	https://transparency.am/hy/cpi/2017

Indicator number	8.5
Indicator question(s)	Has corruption experienced by people increased or decreased in recent years?
Response	A comparison of the last 3 years shows that the number of respondents who reported unofficial payments increased by 6% and the number of those who think that government performs badly increased by 12%. Interestingly, the number of respondents who do not think that involvement in the fight against corruption can change anything remains the same at 63%. The number of respondents who

	want to get involved in the fight against corruption decreased by 9% in 2016, from 43%.
References	https://transparency.am/storage/GCB2016_Tables_am.pdf https://transparency.am/storage/GCB2013_Tables_am.pdf

9. Anti-corruption framework and institutions

Indicator number	9.1
Indicator question(s)	Are the following offences clearly defined and banned by criminal law?
Scoring	a. Active bribery of domestic public officials, in line with Article 15(a) of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. b. Passive bribery of domestic public officials, in line with Article 15(b) of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. c. Embezzlement, misappropriation or other diversion of property by a public official, in line with Article 17 of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. d. Trading in influence, in line with Article 18 of UNCAC ● 1: The offence is clearly defined and banned. e. Abuse of functions, in line with Article 19 of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. f. Illicit Enrichment, in line with Article 20 of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. g. Bribery in the private sector, in line with Article 21 of UNCAC ● 1: The offence is clearly defined and banned. h. Embezzlement of property in the private sector, in line with Article 22 of UNCAC ● 1: The offence is clearly defined and banned. i. Laundering the proceeds of crime, in line with Article 23 of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. j. Concealment, in line with Article 24 of UNCAC ● 0.5: The offence is banned, but there are shortcomings in its definition. k. Obstruction of justice, in line with Article 25 of UNCAC ● 1: The offence is clearly defined and banned.
Response	a. Active bribery of domestic public officials is criminalized in two articles of the Criminal Code of Armenia: Articles 312 and 312.1. According to Country Report on Armenia, <i>“The definition of an “official” is provided by Article 308(3) CC, which largely corresponds to Article 2 of the Convention against Corruption. However, the element “or entity” (as third party beneficiary, cf. art. 15, Convention against Corruption) is missing from Articles 311, 311.1, 312 and 312.1 CC. Although the term “person” as used in the CC is not limited</i>

to natural persons, if the beneficiary is an entity such as a political party, the bribing thereof is not covered. Moreover, it was acknowledged by Armenian officials that the number of convictions for bribery offences is very low. Foreign public officials are equated with domestic officials in Article 308(4)(1) and (2) CC, which provide that, for the purpose of Articles 311, 311.2, 312, 312.2 and 313 CC, an official is also a public official of a foreign State or of an international or supranational organization. However, the definition of foreign officials in Article 308(4)(1) CC is not as comprehensive as that in Article 2(b) of the Convention against Corruption.”

b. Passive bribery of domestic public officials is criminalized in two articles of the RA Criminal Code: Articles 311 and 311.1. According to Country Report on Armenia, *“The definition of an “official” is provided by Article 308(3) CC, which largely corresponds to Article 2 of the Convention against Corruption. However, the element “or entity” (as third party beneficiary, cf. Art. 15, Convention against Corruption) is missing from Articles 311, 311.1, 312 and 312.1 CC. Although the term “person” as used in the CC is not limited to natural persons, if the beneficiary is an entity such as a political party, the bribing thereof is not covered. Moreover, it was acknowledged by Armenian officials that the number of convictions for bribery offences is very low. Foreign public officials are equated with domestic officials in Article 308(4)(1) and (2) CC, which provide that, for the purpose of Articles 311, 311.2, 312, 312.2 and 313 CC, an official is also a public official of a foreign State or of an international or supranational organization. However, the definition of foreign officials in Article 308(4)(1) CC is not as comprehensive as that in Article 2(b) of the Convention against Corruption.”*

c. The embezzlement is criminalized in Article 179 of the Criminal Code of Armenia (large scale embezzlement). Small scale embezzlement is stipulated in Article 53 of the Code of Administrative Violations. In regard to its correspondence with Article 17 of UNCAC, the country report mentions: *“However, the element “or entity” for purposes of third party beneficiaries is missing from Article 179 CC. Moreover, unlike that provision, Article 17 of the Convention against Corruption is not limited to property of a “significant scale” but covers “any other thing of value”.*

d. Trading in influence is criminalized in two articles of the RA Criminal Code: Articles 311.2 (using real or assumed influence) and 312.2 (giving illegal payment for using real or assumed influence). UNCAC Country Report mentions that Armenia is in compliance with both parts of Article 18.

e. Abuse of functions is criminalized in Article 308 of the RA Criminal Code. The reviewing experts in the UNCAC Country Report concluded that Armenia is in compliance with Article 19. At the same time, in comparison with Article 19 of UNCAC, Article 308 of the Criminal Code requires, as an element of this crime, that there should be an “essential damage” caused to the rights and legal interests of physical persons and entities, and explains that if a pecuniary damage is caused, the sum or a property with a value exceeding 300,000 AMD is to be considered as essential. As to non-pecuniary damages, no explanation is given leaving room for unchecked discretion.

f. Illicit enrichment was criminalized in Armenia quite recently in Article 310.1 of the Criminal Code. According to its definition, illicit enrichment is an increase of assets and/or a decrease of obligations, which essentially exceeds his/her legal income and cannot be reasonably explained by a person who bears duty to provide declaration in accordance with the Public Service Law of Armenia, during the reporting period.

Article 20 of UNCAC defines illicit enrichment as “when committed intentionally, illicit enrichment, that is, a significant increase in the assets of a public official that he or she cannot reasonably explain in relation to his or her lawful income.”

The main difference is that there is no requirement of intent in the case of Armenia and Armenia’s law also mentions that it happens if elements of other crimes are missing.

In addition to the fact that the criminalization of illicit enrichment done in Armenia unnecessarily narrows the scope of persons subject to potential prosecution, criminalization alone is not effective enough. None of the OECD countries has criminalized illicit enrichment, but rather uses it as an evidentiary tool to prove predicate crimes (namely, by using the unexplained wealth as a trigger to launch cases into predicate crimes or as a circumstantial evidence in the cases of predicate crimes).

g. Bribery in the private sector is criminalized in Articles 200 (Commercial Bribe) and 201 (Bribing Participants and Organizers of Professional Sports Competitions and Commercial Entertainment Contests) of the RA Criminal Code. According to the UNCAC Country Report, Armenia is in compliance with Article 21.

h. For the embezzlement of property in the private sector, the Criminal Code of Armenia does not have a separate article. However, it is regulated by Article 179 (Squandering or embezzlement) and Article 181 (Embezzlement, committed by means of a computer). The small-

scale embezzlement falls under the auspices of the RA Administrative Violations Code, Article 53 (Minor larceny or destruction or damage of property by intent). These articles are in line with the requirements of UNCAC, according to reviewing experts of UNCAC.

i. Article 23 of UNCAC is criminalized in Article 190 of the RA Criminal Code. There are many articles connected with Article 190, which derive from the requirements mentioned in Article 23 of the UNCAC. The reviewing experts concluded that Armenia's legislation is largely in compliance with UNCAC except that "the mere conspiracy to commit a crime is not criminalized." In this regard, no further changes took place in the RA Criminal Code after review. The Article 190 was amended and it was basically improved. The term "income" was replaced with "assets" in several parts of Article 190. It is also worth mentioning that the RA Criminal Code does not consider money laundering as a serious crime (except when it is committed in aggravating circumstances, such as in gross amounts, by a group of people, etc., see Article 190, par 2). The term "serious crime", which means all the crimes the maximum punishment of which does not exceed 5 years of imprisonment (Article 19 of the RA Criminal Code) is an important concept with many inferences. For instance, not only conspiracy but also any other activities performed in the preparation of money laundering are not punishable (Article 33, par 2 of the RA Criminal Code). Moreover, unlike for serious crimes, the non-reporting of preparation of money laundering activities, even if it is definitively known to a person (for instance, to a bank), is not a crime as well. The third legal inference relates to concealment discussed right below.

j. Armenian criminal law doctrine differentiates two types of concealment. The first type is when the concealment is promised to the perpetrator of the crime prior to the commission of a crime. In this case, the person who provides concealment is an accomplice (Article 38, par 5 of the RA Criminal Code), who as such shall be found guilty under the same article of the Criminal Code as the main perpetrator, and may be punished with a maximum penalty as envisaged for the perpetrator (Article 39 of the RA Criminal Code). If there has been no promise of concealment made to the perpetrator prior to the commission of a crime, then a separate Article (334) of the RA Criminal Code will be applied. Concealment as a crime is regulated under Article 334. As reviewers rightly mentioned that "only concealment of grave and particularly grave crimes, which had not been previously promised, is covered." This article was not amended or altered after review. On the other hand, though, as mentioned above, Article 334 will be applied, if money laundering is committed in aggravating circumstances. Namely, if the money laundering is

	committed in a gross amount (more than 500,000 AMD) or by a group of people in conspiracy, then the money laundering is punishable with imprisonment from 5 to 10 years (Article 190, par 2 of the RA Criminal Code) and that automatically makes this crime a serious crime (Article 19, par 4 of the RA Criminal Code). Finally, if the money laundering is committed in a particularly gross amount (more than 500,000 AMD), or by an organized group or through the abuse of authority, then the money laundering is punishable with imprisonment from 6 to 12 years (Article 190, par 3 of the RA Criminal Code) and that automatically makes this crime a particularly serious crime (Article 19, par 5 of the RA Criminal Code). k. Obstruction of justice is criminalized under different articles in the RA Criminal Code: Article 332 (Obstruction of implementation of justice and investigation); Article 337 (Hindering the giving of testimonies by a witness or victim or hindering their attendance); Article 340 (Bribing or forcing to give false testimonies, false expert review or to provide an incorrect translation); Article 341 (Forcing testimony by the judge, by the prosecutor, by the investigator or by the person in charge of inquiry); Article 347 (Threats or violence in relation to preliminary investigation or administration of justice); Article 350 (Entrapment for bribe or commercial bribe). The reviewing experts concluded that Armenia is fully in compliance with Article 25 of UNCAC.
References	a. http://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/ImplementationReviewGroup/ExecutiveSummaries/V1501516e.pdf b. http://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/ImplementationReviewGroup/ExecutiveSummaries/V1501516e.pdf c. http://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/ImplementationReviewGroup/ExecutiveSummaries/V1501516e.pdf d. http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf e. http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf f. RA Criminal Code, UNCAC g. http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf h. RA Administrative Violations Code, RA Criminal Code http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf i. RA Criminal Code, UNCAC j. RA Criminal Code, http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf

	k.RA Criminal Code, http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia_UNCAC_Implementation_Report.pdf
--	--

Indicator number	9.2																																																								
Indicator question(s)	Please provide case statistics for each of those offences, including, if available, the number of trials in each of the past two years (ongoing and finalized), the number of convictions, the number of settlements, the number of acquittals and the number of cases currently pending.																																																								
Response	The available statistics cover 2016 and some of the legal articles quoted above. For 2017, the statistics are not comprehensive; they cover only the first half of 2017. Statistics for 2016 <table><tr><th>Article</th><th>Trials</th><th>Convicted cases</th><th>Acquittals</th></tr><tr><td>179</td><td>18</td><td>17</td><td>0</td></tr><tr><td>190</td><td>0</td><td>0</td><td>0</td></tr><tr><td>200</td><td>1</td><td>1</td><td>0</td></tr><tr><td>201</td><td>0</td><td>0</td><td>0</td></tr><tr><td>308</td><td>8</td><td>6</td><td>0</td></tr><tr><td>311</td><td>8</td><td>6</td><td>2</td></tr><tr><td>311.1</td><td>2</td><td>2</td><td>0</td></tr><tr><td>311.2</td><td>0</td><td>0</td><td>0</td></tr><tr><td>312</td><td>2</td><td>2</td><td>0</td></tr><tr><td>312.1</td><td>0</td><td>0</td><td>0</td></tr><tr><td>312.2</td><td>0</td><td>0</td><td>0</td></tr><tr><td>332</td><td>0</td><td>0</td><td>0</td></tr><tr><td>341</td><td>0</td><td>0</td><td>0</td></tr></table>	Article	Trials	Convicted cases	Acquittals	179	18	17	0	190	0	0	0	200	1	1	0	201	0	0	0	308	8	6	0	311	8	6	2	311.1	2	2	0	311.2	0	0	0	312	2	2	0	312.1	0	0	0	312.2	0	0	0	332	0	0	0	341	0	0	0
Article	Trials	Convicted cases	Acquittals																																																						
179	18	17	0																																																						
190	0	0	0																																																						
200	1	1	0																																																						
201	0	0	0																																																						
308	8	6	0																																																						
311	8	6	2																																																						
311.1	2	2	0																																																						
311.2	0	0	0																																																						
312	2	2	0																																																						
312.1	0	0	0																																																						
312.2	0	0	0																																																						
332	0	0	0																																																						
341	0	0	0																																																						
References	http://www.prosecutor.am/myfiles/files/Korupcia%20dataran.pdf																																																								

Indicator number	9.3
Indicator question(s)	Anti-Corruption Agency a. To what extent is there formal operational independence of the Anti-Corruption Agency (ACA), and what evidence is there that, in practice, it can perform its work without external interference? b. To what extent does it have adequate resources and capacity to achieve its goals in practice? c. To what extent are there mechanisms in place to ensure the integrity of the ACA, and to what extent is its integrity ensured in practice? d. To what extent does the ACA engage in preventive, educational and investigation activities on corruption and alleged corruption cases?
Response	a. The CPC was intended to be created by law, which was adopted on June 9, 2017, and entered into legal force on April 10, 2018. The CPC is not formed yet and, hence, it is not an operating agency whose practical independence can be evaluated. Only the legal mechanisms, which are aimed at securing the operational independence of the CPC, can be evaluated.

The functions of the CPC are laid down in Article 23 of the Law on Corruption Prevention Commission as follows:

- Tracking the compliance with the requirements of incompatibilities and limitations by high-ranking officials, as well as ethics rules, regulations of situational conflict of interest in connection with high-ranking officials except for MPs, judges and prosecutors;
- Regulating the process of declarations, checking declarations and analysing them;
- Securing unified implementations of requirements of incompatibilities and other limitations;
- Participating in the development of anti-corruption policy.

The preliminary analysis of the powers of the CPC set forth by law allow the conclusion that it might not be subjected to any influence of external actors given the authoritarian regime.

b. As mentioned above, the CPC has not yet been formed. According to its law (Article 5), the CPC has financial independence and independently submits proposals for its annual budget to the Cabinet.

c. Members of the CPC cannot occupy positions in state or municipal bodies which are not connected with his/her own position, be engaged in entrepreneurial activities, do other paid work except for scientific, educational and artistic works. Besides, members of the CPC cannot be members of a political party and cannot be engaged in political activities. Members of the CPC, in their public speeches, shall show political restraint. In addition, members of the CPC are subject to all other limitations set forth for officials holding public offices. It must also be mentioned that the process of selection of CPC members is set forth in the law. The process is laid down in Articles 11-15 of the law and also cover the issue of providing interviews to media.

d. The CPC is not an investigative body in terms of criminal law. The powers of the CPC are laid down in Article 24 and can be grouped in 6 clusters. They are:

1. Non-compatibility requirements and other restrictions, ethics rules and situational conflict of interest

- considers the applications regarding violations of such requirements by high-ranking officials, examines the applications and decides;
- submits recommendations to the competent body or public official in regard to the requirements of incompatibilities, other restrictions, violation of ethics rules, prevention of conflict of interest situations and how to eliminate them, including recommendations to subject high-ranking officials.

	2. Declarations • runs the registry of high-ranking officials and declarations; • stipulates the sample of declaration, requirements on how to fill in declarations, the list of data of registry of declarations; order how to run registry of declarations, on how to submit declarations and on how to make changes in the declared data, order of archiving of declarations, methodology of analysis of declarations and risk criteria; • publicizes declarations; • examines and decides cases related to violations of declarations. 3. Ethics • professional advice and methodological advice to the relevant ethics commissions of relevant bodies in regard to incompatibilities and other restrictions; • presents clarifications of an advisory nature in regard to ethics rules of high-ranking officials (except for MPs, judges and prosecutors); • revises the conclusions of ethics commissions of relevant bodies. 4. Conflict of Interests • recommends taking measures aimed at solving conflict of interest situations; • comments on the requirements of incompatibilities and other limitations. 5. Statistics • runs statistics on violations of incompatibilities and other limitations, conflict of interest and publicizes data. 6. Policy making • conducts expert analysis of anti-corruption strategies and action plans (including sectoral strategies and plans) and presents recommendations to the competent body; • develops corruption prevention programs and presents them to the government; • presents opinions to competent bodies in regard to draft normative legal acts pertaining to the fight against corruption; • presents to competent bodies recommendations on loopholes and shortcomings revealed during its operations in regard to the prevention of corruption. 7. Education • develops education and public awareness raising programs in regard to the prevention of corruption and implements activities;
--	---

	• presents recommendations on educational programs including anti-corruption trainings in the training programs of officials and public servants and organizes them; • provides study-methodological guides and other materials for implementations of educational programs.
References	RA Law on Corruption Prevention Commission

Indicator number	9.4
Indicator question(s)	Supreme Audit Institution a. To what extent is there formal operational independence of the audit institution, and what evidence is there that, in practice, it can perform its work without external interference? b. To what extent does it have adequate resources and capacity to achieve its goals in practice? c. To what extent are there mechanisms in place to ensure the integrity of the audit institution, and to what extent is its integrity ensured in practice? d. To what extent does the audit institution provide effective audits of public expenditure? Are its reports, findings, and recommendations available to the public?
Response	a. The Audit Chamber was set up quite recently and came to replace the former Chamber of Control under the National Assembly. The RA Law on Audit Chamber entered into legal force on April 9, 2018, but its members continue to operate as members of the Chamber of Control. On the one hand one can assess the practical independence of the Chamber as it is the legal successor of the Chamber of Control but, on the other hand, the new Chamber has new functions and powers. Thus, at the moment, it is reasonable to discuss only the legal aspects of the formal operational independence of this institution. The Audit Chamber adopts its own annual plan without any external interference. Besides, it has the right to make amendments and alterations to the plan, based on risk methodology, which must be published within three days on www.azdarar.am. However, there are some aspects which actually mean that the Audit Chamber does not enjoy operational independence by law. Article 5 of the RA Law on the Audit Chamber stipulates that the Audit Chamber conducts audits in state and municipal institutions and entities which are funded by state or municipal budgets. The same article also stipulates cases of conducting inspections on legal entities. However, there are three types of inspections which are quite cumbersome and actually hinder the effectiveness of the Audit Chamber.

	• The Audit Chamber cannot conduct inspections on legal entities if, despite being granted outsourcing functions by contract or legal act and funded by state or municipal budget, the contract or that legal act has not stipulated a provision on the possibility of inspection. If it has been stipulated, then the Audit Chamber can inspect only the implementation of requirements stipulated in the contract or legal act; • The Audit Chamber cannot conduct an inspection on legal entities that received loans based on contracts from the state budget, and loans secured by Armenian state guarantees or other financial means, if the contract has not stipulated a provision on the possibility of inspection. If it has been stipulated, then the Audit Chamber can inspect only the implementation of requirements connected with the usage of that financial means; • The Audit Chamber cannot conduct inspection on legal entities that by contract received grants or subsidies from state or municipalities, if the contract has not stipulated a provision on the possibility of inspection. If it has been stipulated, then the Audit Chamber can inspect only the usage of those financial means and only the implementation of requirements stipulated in the contract. b. As mentioned, the Audit Chamber became operational in April 2018. Taking into consideration that it has new functions, it is quite early to assess its effectiveness. c. The Law on the Audit Chamber stipulates that members of the Chamber cannot occupy any other paid position which is not connected with their office in state or municipal bodies, paid position in any trade company, be engaged in entrepreneurial activities, or do any other paid work except for scientific, educational and artistic work. According to the same law, the member of the Council can be impeached by Parliament (3/5 of the total number of votes), if he/she breached an incompatibility requirement or he/she becomes a member of a political party, engages in politics or fails to maintain political restraint in public speeches. As mentioned earlier, it is too early to evaluate the practice. Since its foundation, there have not been reported cases, which would make it possible to claim, that members of the Chamber are facing challenges on integrity and corruption. d. It is too early to evaluate the effectiveness of audits. The Audit Chamber is required to post to www.azdarar.am and its own official website within three working days its own decisions, financial reports, and conclusions of external audit companies, unless they contain secrets protected by law.
References	RA Law on Audit Chamber

Indicator number	9.5
Indicator question(s)	Judiciary a. To what extent is the judiciary independent by law, and to what extent does it operate without interference from the government or other actors? b. To what extent are there laws seeking to ensure appropriate tenure policies, salaries and working conditions of the judiciary, and does it have adequate levels of financial resources, staffing, and infrastructure to operate effectively in practice? c. To what extent does the public have access to judicial information and activities in practice? d. To what extent is the integrity of members of the judiciary ensured in practice? To what extent is the judiciary committed to fighting corruption through prosecution and other activities?
Response	a. The independence of the judiciary is guaranteed by the Constitution of Armenia, which stipulates “Any interference with the administration of justice shall be prohibited.” The constitution also provides for the independence of judges and stipulates that “When administering justice, a judge shall be independent, impartial and act only in accordance with the Constitution and laws. A judge may not be held liable for the opinion expressed or a judicial act rendered during the administration of justice, except where there are elements of crime or disciplinary violation.” The constitution also provides guarantees from criminal prosecution (immunity). In reality, the situation is quite the opposite. Many international think tanks and local civil society groups, as well as the political opposition, articulated that, in reality, the judiciary is not independent at all and is also corrupted. Freedom House, in its <i>Nations in Transit 2018</i> country report, notes: “<i>Armenia’s judiciary is heavily dependent on the executive branch, and judicial accountability mechanisms are weak. Bribery and the leveraging of political influence are common at all levels of the judicial system, and the courts remain among the most mistrusted institutions in the country.</i>” Perhaps most illustrative is the US State Department’s <i>Human Rights Report 2018</i>. It notes: “<i>Judges remained subject to political pressure from every level of the executive branch, from law enforcement agencies, and the judicial hierarchy. Lacking life tenure, judges were vulnerable to dismissal and had no effective legal remedies. According to legal experts, the courts felt compelled to satisfy investigators’ requests for pretrial detentions and prosecutors’ requests for detention while cases were at trial; legal experts stated such practices undermined judicial independence and reinforced the impression that courts were simply tools and that investigators actually determined the</i>

length of a detention. According to lawyers, dismissals of certain judges for independent decisions had a chilling effect on the judiciary“.

b. The Constitution of the Republic of Armenia and the Judicial Code provide sufficient guarantees for the proper and comfortable operation of the judiciary. First, Article 56 of the Judicial Code (Inviolability of a Judge) states that a judge's tenure is until age 65. Article 57 of the same code regulates the issue of salary and social benefits. It comprehensively regulates not only the salary, but also premiums, pension and health insurance and insurance from accidents. Article 58 regulates the issue of vacation for judges. Article 61 of the Code regulates the staff of a judge. According to it, judges of first instance courts and Appeals courts each have one assistant and one clerk, while judges of the Cassation Court and the President of the Court in Yerevan have assistants and clerks. Besides, Article 16, part 2 assumes that each judge shall have a separate office.

One of the main impediments to the independence of judges has been punishing judges for their decisions (including removing them from office) and the absence of a right to appeal the decisions of the RA Council of Justice (now the Supreme Judicial Council) to a court. Despite the continuous efforts of the Venice Commission during the constitutional reform, the Armenian authorities, with perseverance, deny any kind of judicial remedy to the disciplined judges. With regards to the then draft Judicial Code (approved in April 2018) the Venice Commission in its respective Opinion (par. 130) stated that *“the Draft Code does not provide for a right of appeal against the decisions of the Supreme Judicial Council in disciplinary matters.”* The opinion stresses (par 133) that this absence of an appeal system is a source of concern. The Venice Commission recalls par. 69 of Recommendation CM/Rec (2010)12 where the Council of Ministers indicated that disciplinary proceedings “should be conducted by an independent authority or a court with all the guarantees of a fair trial and provide the judge with *the right to challenge* the decision and sanction” (italics added). The OSCE Kyiv Recommendations on Judicial Independence in Eastern Europe, South Caucasus and Central Asia mention that there should be a “right to appeal to a competent court” against a decision by a disciplinary body. This recommendation has not been honored by the RA Government in the final version of the Judicial Code.

c. There are many resources for the public to get information about the judiciary. Electronic platforms such as www.court.am and www.datalex.am are quite interactive and informative. Especially, www.datalex.am is the official information system of the Judiciary.

	d. As mentioned in the <i>Nations in Transit 2018</i> report “<i>judicial accountability mechanisms are weak. Bribery and the leveraging of political influence are common at all levels of the judicial system, and the courts remain among the most mistrusted institutions in the country.</i>” Besides, the judiciary is overly compliant with law enforcement and the executive. The Bertelsmann Transformation Index 2018 country report on Armenia notes: “<i>In the face of a dominant presidency, with the executive remaining unquestionably the strongest branch of government, the judiciary has proven overly compliant with the demands of the executive. For instance, the president suspended a judge who issued verdicts against police and in favor of civic activists.</i>” Overall, there is consensus in the country among civil society and the legal community that the judiciary is extremely corrupt and dependent upon the executive and law enforcement agencies.
References	a. RA Constitution https://freedomhouse.org/report/nations-transit/2018/armenia https://www.state.gov/documents/organization/277381.pdf b. RA Judicial Code CDL-AD(2015)037, First Opinion on the Draft Amendments to the Constitution (Chapters 1 to 7 and 10) of the Republic of Armenia c. www.court.am , www.datalex.am d. https://freedomhouse.org/report/nations-transit/2018/armenia https://www.bti-project.org/en/reports/country-reports/detail/itc/ARM/

Indicator number	9.6
Indicator question(s)	Law Enforcement Agencies a. To what extent are law enforcement agencies independent by law, and to what extent are they independent in practice? b. To what extent do law enforcement agencies have adequate levels of financial resources, staffing, and infrastructure to operate effectively in practice? c. To what extent do law enforcement agencies have to report and be answerable for their actions in practice? To what extent is the integrity of members of law enforcement agencies ensured? d. To what extent do law enforcement agencies detect and investigate corruption cases in the country?
Response	a. There are 6 law enforcement agencies in Armenia: Special Investigative Service, Police, Investigative Committee, Security Service, State Revenue Service and Prosecutor’s Office.

The institutional independence of the Special Investigative Service is quite dubious: the head of the Special Investigative Service is appointed by the Government, whose candidacy is nominated by the Prime Minister. Deputy Heads are appointed directly by the Prime Minister and their candidacies are nominated by the Head of the Special Investigative Service. The exact same procedures are prescribed for the Investigative Committee.

The Law on Police clearly states that oversight over the police's activities is conducted by the Prime Minister. The Head of Police is appointed by the President and his/her candidacy is nominated by the Prime Minister. The Deputy Heads are appointed by the President and their candidacies are nominated by the Prime Minister. The Prime Minister gets motions from the Head of Police. As for the Security Service, it is almost identical to the Police.

State Revenue Committee is subject to the Government and governed by RA Prime Minister, though is being managed by the Chair of the Committee who is accountable to the Government and Prime Minister.

The case of the Prosecutor General is different. According to the RA Constitution *"The Prosecutor General shall be elected by the National Assembly, upon the recommendation of the competent standing committee of the National Assembly, by at least three fifths of votes of the total number of Deputies, for a term of six years."* The deputies are appointed either by the Prosecutor General directly (after consulting with the Collegia) or by the Qualification Committee of the Prosecutor's Office.

In reality, all these agencies are totally dependent on the executive branch and especially the head of the state, given the consolidated autocratic regime in the country. Such dependence has been mentioned by international organizations. For example, OSCE/ODIHR, in its report on Armenia's 2017 parliamentary election, noted *"The lack of independence of the judiciary, election administration, and law enforcement bodies, and the manner in which they dealt with complaints undermined the effectiveness of legal redress."* The same is quoted in the US State Department's Human Rights Report 2017.

b. There is no public information about the shortage of resources to prevent the effective operation of law enforcement bodies.

c. The formal procedures such as posting annual reports and official information about important cases are being kept. However, real accountability is quite low in the country. The Bertelsmann Foundation

	notes: <i>“There is also a general problem of prosecutorial bias and dominance of the prosecutor within the system. The judicial and legal system are main instruments for retaining power, but without them enjoying independence, human rights violations will always have a systemic nature.”</i> The Prosecutor’s Office, as described above, basically has institutional independence and shall be accountable to the public and parliament. However, as was mentioned in above-quoted text, the system is used as a tool in the hands of authorities. As for other law enforcement agencies, even at the legal level, they are being formed by the Prime Minister. This legal reality portrays the actual situation in the field: they are totally dependent and accountable to the Prime Minister. Freedom House, in its <i>Nations in Transit 2018</i> report, while analyzing the case of the “Sasna Tsrer” group, mentions: <i>“The trials have been marred by serious violations, with judicial and law enforcement authorities acting as enforcers of executive power.”</i> d. The investigation of corruption occurs only in regard to small-scale corruption, low or mid-level officials and is extremely selective. For example, the US Department of State, in its 2017 Armenia Human Rights Report, writes: <i>“In multiple instances throughout the year, law enforcement bodies refused to prosecute high-profile cases involving individuals linked to the government.”</i> It also notes: <i>“Selective application of the law and impunity for powerful law enforcement officials were problems. In multiple instances throughout the year, law enforcement bodies refused to prosecute high-profile cases involving individuals linked to the government.”</i>
References	a. RA Law on Special Investigative Service, RA Law on Investigative Committee RA Law on Police, RA Law on Service in Police RA Law on Security Service RA Constitution RA Law on Prosecutorial Office, https://www.state.gov/documents/organization/277381.pdf OSCE/ODIHR Final Report on Armenia’s Parliamentary Elections 2017 b. N/A c. https://www.bti-project.org/en/reports/country-reports/detail/itc/ARM https://freedomhouse.org/report/nations-transit/2018/armenia d. https://www.state.gov/documents/organization/277381.pdf

10. Private sector corruption

Indicator number	10.1
Indicator question(s)	Is it a criminal offence under the country's laws to bribe a foreign public official?
Scoring	● 0.5: The offence is banned, but there are shortcomings in its definition.
Response	There is no separate article in the RA Criminal Code in regard to bribery of a foreign public official. However, as mentioned in UNODC's Country Report on Armenia: <i>"Foreign public officials are equated with domestic officials in Article 308(4)(1) CC, which provides that for the purpose of Articles 311, 311.2, 312, 312.2 and 313 CC an official is also "a public official of a foreign state in accordance with the national law of the state concerned, as well as members of legislative bodies or of other representative bodies of a foreign state exercising administrative authorities."</i> The only shortcoming is the missing element "or entity" in Armenian legislation, as mentioned in the report.
References	http://www.unodc.org/documents/treaties/UNCAC/CountryVisitFinalReports/Armenia UNCAC Implementation Report.pdf

Indicator number	10.2
Indicator question(s)	Does the country's legal framework prohibit collusion?
Scoring	● 1: The law prohibits hard-core cartels and collusion.
Response	The RA Law on the Protection of Economic Competition contains many provisions aimed at guaranteeing fair economic competition. Hard-core cartels are regulated in Article 5 of the law which relates to "anti-competitive agreements". Fixing prices is considered a "horizontal agreement" and again is regulated by the same articles. Making rigged bids also falls within this concept of "horizontal agreements". The sharing or dividing of a market is a form of "horizontal agreement" also. Besides, there is Article 195 in the RA Criminal Code which sanctions anti-competitive activities.
References	RA Law on the Protection of Economic Competition RA Criminal Code

Indicator number	10.3
Indicator question(s)	Is the ban on foreign bribery enforced?
Response	There is no precedent for the enforcement of the ban on foreign bribery.
References	www.prosecutor.am

Indicator number	10.4
Indicator question(s)	Are anti-collusion provisions effectively enforced?

Response	The issue of economic competition falls within the jurisdiction of the State Commission for the Protection of Economic Competition. It is composed of 7 members, the Chair and 6 Commissioners, which are appointed by Parliament with a majority of votes while their candidacies are nominated by the Prime Minister. According to the Prosecutor's office statistics for 2015, 2016 and first half of 2017, there were absolutely no cases in regard to Article 195 of the RA Criminal Code on anti-competitive activities. According to the statistics of the Commission, in its 2017 annual report, there is no mention of the number of sanctions imposed and types of sanctions imposed. In terms of resources and capacity, the Commission does not have representations in regions and this can be considered an obstacle to its effectiveness. However, the main issue remains the real independence of this body. In regard to anti-monopoly, the BTI 2018 notes: <i>"Against the backdrop of generally weak state regulatory institutions and a pronounced lack of political will to confront corruption and break up cartels and semi-monopolies, the entrenched power of the oligarchs now stands as a direct threat to reform and an indirect threat at least to the state itself."</i>
References	RA Law on the Protection of Economic Competition http://www.prosecutor.am/myfiles/files/reports/c-2015-6.pdf http://www.prosecutor.am/myfiles/files/pdf/Korupcia%20-%20naxaqnnutyun.pdf http://www.prosecutor.am/myfiles/files/Korupcia%20naxaqnnutyun.pdf https://www.bti-project.org/en/reports/country-reports/detail/itc/arm/

Indicator number	10.5
Indicator question(s)	Are there specific rules or practices related to the transparency of corporations that result in high corruption risks?
Scoring	● 0: The Protocol has not been ratified.
Response	The RA Law on Accounting regulates the issue of bookkeeping. It particularly states that all companies are obliged to run accounting. The law also states that <i>"A large company is obliged to publish its annual financial reports."</i> However, at the same time the law does not oblige large companies to publish their reports together with the audit's conclusions. This approach does not seem justifiable. The rules are enforced, according to general perception, although there is no specific publication in this regard which would be publicly available.

	The Law on Procurement contains some limitations for participants in procurement. These limitations concern, for example, those who have been convicted for bribery and crimes aimed against economic activities.
References	RA Law on Accounting RA Law on Procurement

11. Lobbying transparency

There is no regulation of lobbying in Armenia.

12. Party and election campaign finance transparency

Indicator number	12.1
Indicator question(s)	Is there a legal framework regulating the financing of political parties and the finances of candidates running for elected office?
Scoring	● 1: There is a legal framework regulating the financing of political parties and the finances of candidates running for elected office.
Response	The Electoral Code stipulates that all campaign materials, renting halls and also buying airtime shall be conducted from the campaign fund. There are certain limits on the formation of the campaign fund, which are presented as follows: 1. Parliamentary Elections: ○ Political party (if Alliance of Parties then all parties together): up to 100,000,000 AMD; ○ Candidate from the party: 5,000,000 AMD; ○ Physical person: 500,000 AMD. 2. Elections to municipalities with a population less than 10,000: ○ Candidate for Mayor or Member of Municipal Council: 150,000 AMD; ○ Party which put forward the candidacy: 200,000 AMD; ○ Physical person: 50,000 AMD. 3. Elections to municipalities with a population over 10,000: ○ Candidate for Mayor or Member of Municipal Council: 500,000 AMD; ○ Party which put forward the candidacy: 1,000,000 AMD; ○ Physical person: 100,000 AMD. 4. Elections to the Municipal Council of Yerevan: ○ Political party (if Alliance of Parties then all parties together): up to 10,000,000 AMD; ○ Candidate from the party: 1,000,000 AMD;

	- Physical person: 100,000 AMD. 5. Elections to the Municipal Councils of Vanadzor and Gyumri: - Political party (if Alliance of Parties then all parties together): up to 3,000,000 AMD; - Candidate from the party: 500,000 AMD; - Physical person: 100,000 AMD. All donations during a campaign shall be conducted by bank transaction, which means that donors are identified. Besides, the Electoral Code prevents anonymous donations and stipulates that such donations shall be transferred to the state budget. International donations during the campaign are forbidden because they are not mentioned as sources of donations. The issue of loans is not regulated clearly and is totally missing from the Electoral Code. Theoretically, it is possible for the party to receive a loan, but it is quite difficult and unclear in legal terms. As for in-kind contributions during the campaign, the Electoral Code just stipulates that, if the services and goods for the campaign (ones that shall be mandatorily bought by the campaign fund) are provided free of charge, then they still must be mentioned as an expense by taking into consideration their market price. The timing and form of the submission and publication of accounts and expenditures, as well as the issue of verification, are analysed below. There are no tax refunds for donations. As for subsidies for elections and parties, indirect subsidies include free airtime, halls for conducting meetings, and spaces for posting campaign materials. There are no state subsidies from the state budget for parties running for elections.
References	RA Electoral Code Constitutional Law

Indicator number	12.2
Indicator question(s)	Are political parties and individual candidates running for elected office required to disclose financial statements for their campaigns detailing itemized income and expenditure, as well as individual donors to their campaign finances?
Scoring	0.25: Political parties (and, if applicable, political candidates) are required to release income reports of political campaigns to the public and to disclose big donors of an electoral campaign, with the threshold being between 5,001 and 20,000 euro/USD

Response	The donors cannot be identified in the reports, due to the regulation adopted by the Central Electoral Commission, which sets the format of reports and does not require the disclosure of the names of donors. The publication of reports takes place in accordance with the dates stipulated by the Electoral Code. The RA Electoral Code stipulates that, after the commencement of campaigns, the parties which participate in parliamentary elections and elections to the municipalities of Gyumri, Yerevan and Vanadzor shall submit the reports on campaign funds to the Oversight and Audit Service on the 10th day after the commencement of the campaign, the 20th day, and 3 days before summarizing elections. The Oversight and Audit Service, in 7 days, but not later than 1 day before summarizing elections, analyses the reports and issues a conclusion, submitted to the Central Electoral Commission, which shall immediately be posted on the website of the Central Electoral Commission. There is no requirement to disclose the names of donors. However, the expenses are mentioned in great detail as required by Law and by the Central Electoral Commission's decision. The reports are published in a standardized manner. The reports do not have enough data and information and is not user-friendly.
References	RA Electoral Code Constitutional Law Central Electoral Commission Decision 125-N from 09.11.2016

Indicator number	12.3
Indicator question(s)	Are political parties and, if applicable, individual candidates running for elected office required to disclose annual accounts with itemized income and expenditure and individual donors?
Scoring	● 1: Political parties (and, if applicable, political candidates) are required to release itemized income and expenditure reports on their annual accounts and disclose donors who contributed to a party's or candidate's annual finances, with the threshold of disclosure at 1,000 euro/USD or less.
Response	The new Constitutional Law on Political Parties entered into legal force on April 1, 2017. It stipulates that, each year, a political party shall post in media a report about the sources of its financial means and expenditures as well as assets. The timeline for posting shall be not later than March 25. There are no relevant thresholds. The format is stipulated by Government Decree. As regards the candidates, they all are required to submit declarations of assets and income.
References	RA Electoral Code Constitutional Law Government Decree N403-N from 20 April 2017

Indicator number	12.4
Indicator question(s)	Are parties' (and, if applicable, candidates') electoral campaign expenditures subject to independent scrutiny?
Scoring	● 0.5: The campaign finances of parties and/or candidates for elected office are subject to verification, but the available legal framework fails to guarantee the political independence of the oversight body and/or does not provide the oversight body with sufficient powers and resources to effectively scrutinise the statements and accounts in an effective manner.
Response	See the answer below: identical answer.
References	NA

Indicator number	12.5
Indicator question(s)	Are the annual accounts of political parties (and, if applicable, of candidates) subject to independent scrutiny?
Scoring	● 0.5: Annual financial statements of parties and/or candidates for elected office are subject to verification, but the available legal framework fails to guarantee the political independence of the oversight body and/or does not provide the oversight body with sufficient powers and resources to effectively scrutinize the statements and accounts in an effective manner.
Response	The Oversight and Audit Service of the Central Electoral Commission is in charge of checking the annual accounts of political parties and candidates according to the Electoral Code and Law on Political Parties. Its head is appointed by the Central Electoral Commission for a 7 year period. The head shall not be a member of any political party. According to the same article of the Electoral Code, <i>"the Service is independent from electoral commissions and is not accountable to them"</i>. However, the reality differs from the law. OSCE/ODIHR's Election Observation Mission of Armenia's 2017 Parliamentary Election noted as a priority recommendation: <i>"To enhance the transparency and effectiveness of campaign finance oversight, the OAS should have adequate resources, technical expertise, and independence."</i> In regard to proper investigative powers, it has powers to request documents and information from banks, political parties and companies which provided works, services, goods, paid membership fees, made donations to political parties, provided budget funding, or monetary means received from contracts and about other expenses and entrances not forbidden by law (part 2, point 11, Regulation of Operation of Oversight and Audit Service).

	In regard to candidates (both parties and persons), the Service has the right to request information and data and copies of documents from banks in regard to expenses and entrances of their campaign funds (Regulation of Operation of Oversight and Audit Service, part 1, point 11). Besides, it has the right to receive from candidates information, data, copies of documents in regard to expenses from funds, in regard to justifications of signed civil contracts (Regulation of Operation of Oversight and Audit Service, part 3, point 11).
References	RA Electoral Code Constitutional Law, RA Law on Political Parties Constitutional Law https://www.osce.org/odihr/328226?download=true http://res.elections.am/images/dec/16.39_N.pdf

Indicator number	12.6
Indicator question(s)	What is the score in the Money Politics and Transparency assessment produced by Global Integrity?
Response	Armenia is not included in the assessment.
References	https://data.moneypoliticstransparency.org/

Indicator number	12.7
Indicator question(s)	Have political parties and/or candidates been sanctioned for violating political finance rules or non-compliance with disclosure requirements in the past two years, according to publicly available evidence?
Response	The only noticeable case was the case of Gagik Tsarukyan, leader of one of the opposition political factions in parliament. During the 2017 election campaign, Gagik Tsarukyan, in response to people's requests, was distributing money. The Central Electoral Commission warned him to stop the practice but did not apply sanctions.
References	https://www.azatutyun.am/a/28358011.html

Target 16.6: Develop effective, accountable and transparent institutions at all levels

Indicator 16.6.1:	Primary government expenditures as a proportion of original approved budget, by sector (or by budget codes or similar)
Indicator 16.6.2:	Proportion of the population satisfied with their last experience of public services

13. Transparency and integrity in public administration

Indicator number	13.1
Indicator question(s)	Is there a law, regulation or Code of Conduct in place, covering public officials, employees and representatives of the national government, that adequately addresses the following issues: a. integrity, fairness, and impartiality; b. gifts, benefits, and hospitality; and c. conflicts of interest?
Scoring	● 1: A law, regulation or Code of Conduct is in place and addresses the aspects mentioned above.
Response	The RA Law on Public Service covers both public officials and high-ranking officials in terms of limitations, incompatibilities and conflict of interest issues. Chapter 5 of the law on the Integrity System covers all the points mentioned above.
References	RA Law on Public Service

Indicator number	13.2
------------------	------

Indicator question(s)	Is there a law or clear policy in place to address the “revolving door” – the movement of individuals between public office and private sector, while working on the same sector or issue, which may result in conflicts of interest and in former public officials misusing the information and power they hold to benefit private interests?
Scoring	● 1: There is a law or clear policy addressing the “revolving door”.
Response	There is only one provision in Article 32 of the RA Law on Public Service, which stipulates that, during the one-year period after resignation, the person cannot be employed by an entity over which he/she conducted oversight during the last year in office. Such phrasing is overarching and includes any entity which was under the oversight of the person in question.
References	RA Law on Public Service

Indicator number	13.3
Indicator question(s)	Does the law or policy that addresses the “revolving door” cover all relevant public-sector decision-makers?
Scoring	● 1: The law or policy in principle provides comprehensive coverage of relevant public-sector decision-makers.
Response	There is only one provision in Article 32 of the RA Law on Public Service which stipulates that, during the one-year period after resignation, a person cannot be employed or become an employee of an organization, which was overseen by him/her during the last year in office. That limitation covers people who occupy public posts and public officials, taking positions either through elections or appointment resulted in political processes, discretionary decisions and other processes as stipulated by law.
References	RA Law on Public Service

Indicator number	13.4
Indicator question(s)	Is there a mandatory cooling-off period – a minimum time interval restricting former officials from accepting employment in the private sector that relates to their former position – for members of the government and other relevant high-level decision-makers?
Scoring	● 0.5: The policy contains a minimum cooling-off period of at least 6 months for certain positions and cases where the new employment of former government members and other high-level decision-makers would result in a conflict of interest.
Response	It is the same as in the case of revolving door. See above.
References	NA

Indicator number	13.5
------------------	------

Indicator question(s)	Is there a single public body or are there designated authorities responsible for providing advice and overseeing “revolving door” regulations?
Scoring	● 1: There is a single body, or there are various designated authorities charged with providing advice and overseeing the implementation of the policy.
Response	As revolving door is under the term “other limitations”, therefore the competent bodies are ethics commissions and integrity organizers.
References	RA Law on Public Service

Indicator number	13.6
Indicator question(s)	Are there proportionate and dissuasive sanctions for both individuals and companies that do not comply with the law or policy controlling the “revolving door”?
Scoring	● 0: The law (or policy) includes no sanctions.
Response	There are no sanctions in case of non-compliance with the law.
References	www.arlis.am

Indicator number	13.7
Indicator question(s)	Are the “revolving door” provisions implemented and enforced in practice? Have there been any developments in the past year that indicate an improvement (or deterioration) in how the “revolving door” and related conflicts of interests are addressed?
Response	The revolving door provision has actually never been enforced in Armenia and there have not been proceedings for such incidents. Besides, this question traditionally has not been reported on much by the media. However, a notable case in regard to the “revolving door” took place during Prime Minister Karen Karapetyan’s Cabinet. During the service of the Minister of Health Levon Altunyan, the former Executive Director of “IngoArmenia” Insurance Company, the latter registered significantly high revenues in the field of healthcare insurance, which, according to investigative journalists, was unusual. Additionally, there were cases when several high level law enforcement officials, including the Chief of the Anti-corruption Department of the Prosecutor General’s Office and the Chief of the Police Anti-Drug Department assumed positions in the legal departments or security departments of the banks.
References	https://armenpress.am/arm/news/861669/hh-aroxiapahutyan-nakharar-levon-altunyan-kensagrutyuny.html https://hetq.am/hy/article/86983

Indicator number	13.8
------------------	------

Indicator question(s)	Does the legal framework require high-level public officials and senior civil servants to regularly (at least once per year) declare their interests, including any paid or unpaid positions and financial interests in companies and other entities?
Scoring	● 1: The legal framework requires high-level public officials and senior civil servants to declare their interests at least once per year.
Response	According to Article 34 of the Law on Public Service, declaring officials submit annual declarations. The Law differentiates between the type of officials and the type of declarations. Persons who occupy public offices (except for state discretionary positions), heads of municipalities with more than 15,000 inhabitants, their deputies, heads of administrative districts of Yerevan's community and their deputies shall submit a declaration on income, assets and interests. Those who occupy state discretionary positions, those who occupy head positions in the 1 st and 2 nd sub-groups of the civil service, chief secretary of the ministry of foreign affairs, those who occupy the highest positions in the military, those occupying chief positions in police, tax service, customs service, penitentiary service and the service of mandatory enforcement of judicial acts, shall submit a declaration on income and assets. The concept of public offices includes the political, administrative, autonomous and discretionary positions.
References	RA Law on Public Service

Indicator number	13.9
Indicator question(s)	Do the interest disclosure requirements cover officials of all branches of government – executive, the legislature, the judiciary, and civil service as well as other relevant public bodies?
Scoring	● 1: The interest disclosure applies to high-level officials from the executive, legislature, judiciary and civil service/other public bodies.
Response	See answer to indicator 13.8 above. The public offices include: political, administrative, autonomous and discretionary. For example, a political position is a position which is elected or appointed, and this position assumes that the person has the right to adopt political decisions and take responsibility for those decisions. It basically covers all the groups mentioned in the question.
References	RA Law on Public Service

Indicator number	13.10
Indicator question(s)	Does the legal framework require high-level public officials and senior civil servants to regularly (at least once per year) declare their income and assets?
Scoring	● 1: The legal framework requires high-level public officials and senior civil servants to declare their income and assets at least once per year.

Response	See answer to indicator 13.7 above.
References	RA Law on Public Service

Indicator number	13.11
Indicator question(s)	Do the income and asset disclosure requirements cover officials of all branches of government - executive, the legislature, the judiciary, and civil service as well as other relevant public bodies?
Scoring	● 0.75: The asset and income disclosure applies to three of these sectors.
Response	See answer to indicator 13.7 above. The public offices include: political, administrative, autonomous and discretionary. For example, a political position is a position which is elected or appointed, and this position assumes that the person has the right to adopt political decisions and take responsibility for those decisions. It basically covers all the groups mentioned in the question. Judges are covered but Press Secretary of the Judiciary is not.
References	RA Law on Public Service

Indicator number	13.12
Indicator question(s)	Does the framework require that information contained in interest declarations and income and asset disclosures be made publicly accessible?
Scoring	● 0.25: Only limited information from either interest declarations or income and asset disclosure forms has to be made publicly accessible.
Response	Article 24 of the new RA Law on Public Service regulates the issue of publishing declarations. It simply states that the declarations are being posted on the website of the Ethics Commission for High-Ranking Officials (www.ethics.am).
References	RA Law on Public Service www.ethics.am

Indicator number	13.13
Indicator question(s)	Does the legal framework establish an oversight body that is provided with sufficient political independence and legal powers to scrutinise income and asset disclosures?
Scoring	● 0.75: The legal framework provides for oversight of the income and asset declarations, but only provides the body or bodies with either sufficient independence or with adequate powers to scrutinise the submissions
Response	The CPC was intended to be created by the Law on Corruption Prevention Commission, adopted on June 9, 2017, and entered into force on April 10, 2018. However, the CPC has not been formed yet. Thus, it is not an operating agency in order to be able to evaluate its practical independence.

	The functions of the CPC are laid down in Article 23 of the Law on Corruption Prevention Commission. It states: 1. Monitoring compliance with the requirements of incompatibilities and limitations by high-ranking officials, as well as rules of ethics, regulations of situational conflict of interest in connection with high-ranking officials except for MPs, judges and prosecutors; 2. Regulating the process of declaration, checking declarations and analysing them; 3. Securing unified implementations of requirements of incompatibilities and other limitations; 4. Participating in the development of anti-corruption policy. The analysis of its power laid down in the law, forces one to have doubts that the CPC in its functions will not be subjected to any influence of external actors. According to its law (Article 5), the CPC has financial independence and independently submits a bid for its annual budget to the Cabinet. The Competition Council is formed by the Speaker of the National Assembly and is composed of representatives appointed by the President of the Constitutional Court, Ombudsman, Opposition political parties (one representative by consensus of all opposition political parties present in the Parliament), Public Council and Chamber of Attorneys. The Council conducts testing and interviews of the contestants and selects 5 commissioners. Article 18 of the law stipulates the circumstances under which the powers of the Commissioner can be terminated before his/her term. Those circumstances are: serious illness which prevents him/her from performing his/her functions; he/she missed two or more sittings of the Commission without proper justification during a one year period; he/she has violated incompatibility requirements of the commissioner; he/she violated the requirement on not being engaged in politics; during the term of office, it becomes apparent that, at the moment of selection, the commissioner could not be selected for the position of commissioner. Another circumstance when the commissioner's power can be terminated is when, in connection with the commissioner, there is an accusatory verdict of court or a criminal investigation has been interrupted based on unjustified grounds. The powers of the Commission are broad and it can request data and information from other bodies, except in the cases prescribed by the Law on Bank Secrecy.
References	RA Law on Corruption Prevention Commission

Indicator number	13.14
Indicator question(s)	Does the law or policy contain dissuasive and proportionate sanctions for failure to comply with interest and income and asset disclosure requirements?
Scoring	● 0.75: The law or policy contains sanctions for non-filing of disclosures, or for incomplete or false claims made in both interests and income and assets disclosures, but these sanctions are only dissuasive and proportionate in either the area of interest declarations or income and asset disclosures.
Response	Article 314.2 of the RA Criminal Code stipulates liability for not submitting declarations if, after being subjected to administrative liability, the person still does not provide the declarations within 30 days. The sanction is a fine of 1,500,000 AMD to 2,000,000 AMD or imprisonment for a maximum of 2 years, together with losing the right to occupy certain state offices and possibly also the deprivation of the right to be engaged in some activities (decided on a case-by-case basis) for a maximum 3 year period. Article 314.3 of the RA Criminal Code stipulates that including false data in declarations or hiding data that must be included can be sanctioned with a fine of 2,000,000 AMD to 3,000,000 AMD, or with imprisonment of up to 2 years, together with losing the right to occupy certain state offices or losing the right to be engaged in some activities for a maximum 3 year period. Article 169.28 of the RA Administrative Violations Code stipulates responsibility for not filing declarations in time and the sanction is a warning. If, 30 days after receiving the warning, the person still does not provide the declaration, then he/she is fined 200,000 AMD. For declarations in violation of some of the filing and submission requirements, the sanction is a warning. If the same person, 30 days after being warned, repeats the same act, the sanction is a fine in the amount of 200,000 AMD. For making an error in the declarations by mistake or for not presenting comprehensive data in declarations by mistake, the sanction is 200,000-400,000 AMD. The Articles cited above do not provide for deterring sentences and as such are not commensurate with the danger of those crimes. None of the crimes specified are considered serious crimes (a legal concept that covers crimes punishable with imprisonment of more than 5 years). As a result, neither preparation for the crime, nor its concealment, are punished under the law.
References	RA Criminal Code, RA Administrative Violations Code

Indicator number	13.15
Indicator question(s)	Have there been cases in the past two years of sanctions being imposed on elected or high-level public officials or senior civil servants for failing to file declarations of their interest declaration or their assets and income declaration, or for intentionally providing false or incomplete information in their disclosure, according to publicly available evidence?
Response	Such cases were not registered during the last 2 years period.
References	Web search

Indicator number	13.16
Indicator question(s)	How do you evaluate the effectiveness of the disclosure mechanism for interests, assets and income? Is there a disclosure requirement for gifts and hospitality received by public officials and civil servants (if applicable)? Have there been any developments in the past two years that indicate an improvement or a deterioration of the disclosure mechanism?
Response	The system of declarations has been changed drastically by new legislation, specifically the RA Law on Public Service and the RA Law on Corruption Prevention Commission adopted on May 23, 2018. The CPC is not formed yet and the new system has not been tested yet. Hence, it is too early to assess the new mechanisms. Anyway, the system cannot effectively operate unless respective changes are made to the Criminal Procedure Code allowing law enforcement and prosecutors to prove guilt by using unexplained wealth as evidence of predicate crime, and to effectively reverse the burden of proof onto the accused. Traditionally, in Armenian legal doctrine, this was considered to be in violation of the presumption of innocence, in particular – with a right of the accused to remain silent, which is not true, at least as this principle is construed by the European Court of Human Rights (ECtHR). For instance, in its judgment in the <i>O'Donnell v. The United Kingdom</i> case (from 15 April 2015), the ECHR stated (par 48) as follows: “48. The right to remain silent is a generally recognised international standard which, together with the right against self-incrimination, lies at the heart of a fair procedure (see <i>Bykov v. Russia</i> [GC], N 4378/02, § 92, ECHR 2009-...). However, the right to silence is not an absolute right (see <i>John Murray v. the United Kingdom</i>, 8 February 1996, § 47, <i>Reports of Judgments and Decisions</i> 1996-I and <i>Condron v. the United Kingdom</i>, N 35718/97, § 56, ECHR 2000-V). The fact that a trial judge leaves a jury with the option of drawing an adverse inference from an accused's failure to give evidence, either during police

	interview or, as in the instant case, during his trial, cannot in itself be considered incompatible with the requirements of a fair trial (<i>Beckles v. the United Kingdom</i> , N 44652/98, § 57, 8 October 2002 and <i>Tabbakh v. the United Kingdom</i> (dec.), N 40945/09, §29, 21 February 2012). ”
References	RA Law on Public Service RA Law on Corruption Prevention Commission Criminal Procedure Code https://hudoc.echr.coe.int/eng#{%22documentcollectionid2%22:[%22GRANDCHAMBER%22,%22CHAMBER%22]}

Indicator number	13.17
Indicator question(s)	Does publicly available evidence suggest that sufficient resources are allocated to the implementation of an ethics infrastructure? Have there been other noteworthy changes to public sector ethics framework, based on publicly available evidence?
Response	The new Law on Public Service was adopted on March 23, 2018, and has not yet been fully put in place. According to the law, there will be ad hoc ethics commissions and appointed integrity officers among the staff of institutions. It is rather early to assess the sufficiency of resources.
References	RA Law on Public Service

14. Fiscal transparency

Indicator number	14.1
Indicator question(s)	Is there legislation or policy in place requiring a high degree of fiscal transparency?
Scoring	 0.75: The legal framework requires a fairly high degree of fiscal transparency and the publication of 7 of the key budget documents.
Response	Article 26 of the RA Law on Budgetary System is entitled “State Budget Publicity” and contains details on which documents shall be published and when. However, there is no citizen budget notion in Armenia.
References	RA Law on Budgetary System

Indicator number	14.2
Indicator question(s)	What is the country’s score and rank in the most recent Open Budget Survey, conducted by the International Budget Partnership (http://www.internationalbudget.org/open-budget-survey/)?
Response	Armenia was not scored, neither for 2016 nor for 2017.
References	http://www.internationalbudget.org/open-budget-survey/

Indicator number	14.3
Indicator question(s)	Are key budget-related documents published in practice?
Response	The pre-budget statement, executive budget proposal, enacted budget, annual reports on the budget execution and audit reports are published on the websites of parliament - www.parliament.am , government - www.gov.am and Ministry of Justice open announcements - www.azdarar.am .
References	www.parliament.am , www.gov.am www.azdarar.am

15. Public procurement

Indicator number	15.1
Indicator question(s)	Does the law clearly define up to what threshold(s) single-sourced purchases of goods, services and public works are allowed?
Scoring	● 0: Thresholds for only one or none of the categories are defined by a law or a decree.
Response	There are no clear thresholds in the Law on Procurement. Article 23 of the law stipulates conditions under which single-sourced procurement is permissible but there are no thresholds.
References	RA Law on Procurement

Indicator number	15.2
Indicator question(s)	What are exceptions in the legal framework for public procurement that allow for single-sourced contracting above these thresholds?
Scoring	● 0.5: The law provides exceptions that may be vulnerable to misuse.
Response	Single-source procurement can be conducted only if the procured good, service or work is not possible to procure from another person due to copyright issue or rights connected with copyright, special or exclusive rights; there is an extraordinary or unforeseen situation; the procuring entity, having procured from a certain person, determines that additional supplies must be procured from that supplier, provided, that: a) it is impossible to separate, economically or technically, the contract on additional goods from the primary contract without creating additional difficulties for the procuring entity and; b) its price shall not exceed 10% of the initial contract. Also, such additional procurement can be done only once and the price of additional goods cannot exceed what is stipulated by contract. Besides, the procurement price cannot exceed the basic unit of procurement. In addition, the single-sourced procurement is also done outside of the territory of the Republic of Armenia.
References	RA Law on Procurement

Indicator number	15.3
Indicator question(s)	Does the legal framework require that information on public procurement above certain thresholds be published?
Scoring	● 0.5: The legal framework requires tender announcements and contract award information (including information on the procuring entity, the supplier, the number of bidders, the good/service procured, the value of the contract) to be released.
Response	The Law on Procurement stipulates that the announcement of signed contracts (except for those which contain state secrets) shall be posted in the procurement bulletin on www.procurement.am . The contracts are not being published in full. The announcements are published in the bulletin.
References	RA Law on Procurement www.procurement.am

Indicator number	15.4
Indicator question(s)	Are bidders required to disclose their beneficial owners?
Scoring	● 0: There is no requirement for bidders to disclose their beneficial owners.
Response	The Law on Procurement does not stipulate such a requirement. Only the winners disclose their beneficial owners.
References	RA Law on Procurement

Indicator number	15.5
Indicator question(s)	Are there legal provisions, regulations or policies in place for bidders to file complaints in case they suspect irregularities at any stage of the procurement process?
Response	The complaints procedure is regulated by chapter 6 of the Law on Procurement. Article 46 stipulates that every person has the right to appeal decisions, actions (inaction) of procuring authority, evaluation commissions and persons examining complains of procurement. The complaints are not being considered as administrative relationships but rather as civil relationships, which means that the burden of proof is on the plaintiff party. Every person has the right to appeal to the person examining complaints of procurement against decisions and actions (inaction) of a procuring authority and an evaluation committee, before the contract is signed. Every person has the right to file a legal complaint against actions (inaction) and decisions of persons examining complaints of procurement, procuring authority and evaluation commission. The procurement system in Armenia has been changed so many times and on so many occasions during the last 5-7 years that there is no single monitoring report on the efficiency of the new complaints system.
References	RA Law on Procurement

Indicator number	15.6
Indicator question(s)	Which information and documents related to public procurement and other relevant government contracts (such as privatizations, licenses etc.) are published proactively and are available in full text? Are any of these documents published online through a central website or database?
Response	The official bulletin on www.procurement.am publishes rather comprehensive data regarding procurement. However, as mentioned earlier, the procurement system itself is problematic.
References	www.procurement.am

Indicator number	15.7
Indicator question(s)	To what extent does the country use electronic procurement that is open, provides the public with access to procurement information and opportunities to engage in the procurement process?
Response	The electronic system of procurement is not user-friendly, neither is it adjusted for adequate public oversight.
References	Web search

16. Whistle-blowing and reporting mechanisms

Indicator number	16.1
Indicator question(s)	Is there a legal framework to protect whistle-blowers from the public and the private sector who report reasonable belief of wrongdoing?
Scoring	● 0.5: The law provides protection for whistle-blowers from either the public or the private sector.
Response	The RA Law on the Whistle-blowing System is rather innovative and comprehensive. This law is Armenia's first attempt at ensuring and regulating the protection of whistle-blowers. It was adopted on June 9, 2017, and entered into legal force on January 1, 2018. It covers only public sector and also contains some novelty, ex. the protection of persons who are considered as whistle-blowers by mistake. Both natural and legal persons can be considered whistle-blowers; and there are no state bodies in the country which are exempt from whistle-blower legislation.
References	RA Law on the Whistle-blowing System

Indicator number	16.2
Indicator question(s)	Does the law provide for broad definitions of whistle-blowing and whistle-blower?
Scoring	● 0.75: The law contains a broad definition of whistle-blowing and whistle-blower that is largely in line with TI's principles.
Response	The definition of whistle-blowing is quite broad and includes: corruption cases; conflict of interests, breaches of ethics or incompatibility requirements or other limitations; violations of declarations; or harm to other public interests or the threat of harm. This last phrase basically covers everything connected to corruption under the lens of Armenia's jurisprudence. The definition of whistle-blower is quite broad and includes not only physical persons but also legal persons. Besides, the risk of retribution is not necessary to consider the person a whistle-blower: a person is a de facto whistle-blower immediately after reporting the problem. Also, there is a new notion, "persons who are considered as whistle-blower by mistake," who are also given protection by the law. Whistle-blowers are those who were/are in employment or contractual or administrative relationships with a state body, or if the person approached a state body for providing services. Also, past employees may be considered whistle-blowers.
References	RA Law on the Whistle-blowing System

Indicator number	16.3
Indicator question(s)	Does the law provide sufficient protection for whistle-blowers?
Scoring	● 1: The law does provide strong protection for whistle-blowers.
Response	There are 3 avenues for whistle-blowers: external, internal and anonymous. Anonymous whistle-blowing shall be conducted through an electronic platform run by the Ministry of Justice. Retaliatory actions are broad and apply not only to whistle-blowers but to related persons as well. Retaliatory actions include: termination of employment; lowering position; eliminating the post where the whistle-blower works; not providing the whistle-blower with tasks; overloading him/her with tasks; unnecessarily or illegally intervening in the working operations; denying use of motivation means; decreasing salary or bonuses; damaging property; initiating disciplinary actions or subjecting to any sort of liability, which will deteriorate the value of assets or will not justify expectations connected to property or promotions; or using other impact measures connected to whistle-blowing or to deter people from whistle-blowing. The RA Criminal Code provides sanctions for acts of homicide (threat to homicide), damage of property (threat to damage of property) or health of a whistle-blower (threat to damage of health) or a related person (Article 341.1). Besides, it is sanctioned also to illegally publicize data on whistle-blowers (Article 341.2). Also, the RA Administrative Code of Violations (Article 41.5) stipulates liability for not registering the whistle-blower's report, not initiating proceedings on the fact of whistle-blowing, not securing secrecy of proceedings, not providing an opportunity for a whistle-blower to provide explanations, documents and applications, not informing the whistle-blower on the process of proceedings and undertaken measures, not undertaking measures to investigate and verify a whistle-blower's report, not undertaking measures to protect a whistle-blower from damaging activities, not undertaking measures to stop harming activities or the results of those activities.
References	RA Law on the Whistle-blowing System , RA Criminal Code, RA Administrative Code of Violations

Indicator number	16.4
Indicator question(s)	Does the law provide for adequate and diverse disclosure procedures?
Scoring	● 0.5: The law fails to address some important aspects
Response	There are three reporting procedures, as mentioned earlier: internal, external and anonymous. In regard to internal and external whistle-blowing, Article 5 of the RA Law on the Whistle-blowing System stipulates the sample format for the registration of reports, stipulated

by the Government of Armenia. The Government has stipulated the sample format of registration and the procedure for protecting whistle-blowers. However, the Law on the Whistle-blowing System also stipulates that each competent body shall independently set both procedure of the registration of reports and procedures for providing protective measures for whistle-blowers, by taking into consideration the requirements set by the decree of the Government.

According to the decree, the competent body shall post on its website (in case it has no web presence, in a visible place for people who work for it or for users of its services) information of the officials who register and review whistle-blowing reports.

In case of internal whistle-blowing, the whistle-blowing starts by reporting to the immediate supervisor of the whistle-blower, the superior official of him/her, or to the authorized person appointed by the head of the competent (relevant) authority. If the report was submitted to these people, then he/she shall immediately pass the report to the head of the competent (relevant) authority or to a person authorized by him/her. The head of the competent authority or his/her authorized person shall, within one working day, register the report and in case of the existence of grounds, within the framework of its competence, start proceedings within 3 working days. Furthermore, the head or authorized person shall secure the secrecy of the proceedings and within the framework of its own competence shall undertake measures to check the authenticity of the report. In case of finding obvious elements of a crime, during the period of checking the authenticity of the report, he/she shall immediately report to the Prosecutor's office. In addition, the head or authorized person undertakes measures to defend the whistle-blower from damaging activities and undertakes measures to eliminate the damaging activities or its results. He/she also secures non-discovery of personal data of the whistle-blower, if otherwise is not stipulated by law. In addition, upon request of the whistle-blower, the head or authorized person shall inform the whistle-blower about the process and measures undertaken. Also, he/she is required to provide opportunity to the whistle-blower to provide explanations, documents and applications.

The overall supervision of the process of internal whistle-blowing is provided by the head of the competent body or his/her authorized representative. The maximum period of the proceeding is 30 days. At the end of this period, a decision shall be adopted and the whistle-blower shall be informed within three days.

	The same regulations, in terms of dates, apply to external whistle-blowing. External whistle-blowing starts with lodging a report to a competent body. If the report relates to an employee of the competent body, then the whistle-blowing shall be directed to the head of the competent body. If the report relates to the head of a competent authority, then the report shall be directed to the head of the superior body. In case of the absence of such a body, the report shall be directed to the Public Servant Ethics Committee to convene upon the need and, in case of high-ranking officials, to the authorized body in the field of corruption prevention. The remaining regulations are the same as in the case of internal whistle-blowing with 2 exceptions: if the whistle-blower has not given his/her consent to reveal his personal data, then the body which has received the report lodged by the whistle-blower and has not initiated proceedings is obliged to obtain consent from the whistle-blower before sending the report in accordance with subordination. In case of the absence of such an agreement, the report is sent in accordance with subordination but without revealing the personal data of the whistle-blower. Secondly, external whistle-blowing is not considered as the same with the procedure for discussion and solving reports received by investigative bodies in accordance with the RA Criminal Procedure Code. The whistle-blower can anonymously blow the whistle only by using the unified electronic platform to which the Prosecutor's office has access. The anonymity of the whistle-blower is guaranteed by anonymizing the IP address of the whistle-blower. The platform is run by the government's authorized body, the Ministry of Justice, through the website www.azdararir.am. The legislation does not cover the issue of urgent whistle-blowing. It is worth mentioning that the development of the platform needs to match the regulations of the RA Criminal Procedure Code. This includes a variety of provisions, such as the procedural time limits, appeals against inaction, actions and decisions, providing the whistle-blowers with a protection similar to that provided to persons reporting on crimes. This is also relevant to indicators 16.5-16.8.
References	RA Law on the Whistle-blowing System RA Government Decision N272-N, 15.03.2018 Annex 1, RA Government Decision N272-N, 15.03.2018 http://www.tert.am/am/news/2018/07/11/Artak-Zeynalyan/2739317 http://www.azdararir.am

Indicator number	16.5
Indicator question(s)	Does the law provide for adequate remedies for whistle-blowers?
Scoring	● 0: The law provides no or inadequate remedies.
Response	There are no special remedies for whistle-blowers. It is regulated within the general framework of legislation and the whistle-blower has a right to judicial protection.
References	RA Law on the Whistle-blowing System

Indicator number	16.6
Indicator question(s)	Is there an independent authority responsible for the oversight and enforcement of whistle-blowing legislation?
Scoring	● 0: There is no independent authority to oversee and enforce whistle-blowing legislation.
Response	There is no independent authority to oversee and enforce whistle-blowing legislation. As mentioned above, the platform will need to go in parallel with the normative regulations of the Criminal Procedure Code, which provides for prosecutorial oversight and judicial control over the legitimacy of the activities of investigators and other law enforcement officers. Under Article 290 of the Criminal Procedure Code, decisions of investigators shall be appealed to a prosecutor and then to a judge. Nevertheless, inaction (i.e. failure to act) of the investigator can be appealed to the court directly, under the doctrine of direct judicial control over the inaction of the law enforcement, developed by the RA Constitutional Court.
References	RA Law on the Whistle-blowing System RA Criminal Procedure Code

Indicator number	16.7
Indicator question(s)	Where an independent authority to oversee and enforce whistle-blowing legislation exists, does it have sufficient powers and resources to operate effectively?
Response	Not applicable
References	Not applicable

Indicator number	16.8
Indicator question(s)	Is there a law/policy that establishes a dedicated reporting mechanism for witnesses and victims of corruption (such as a hotline or a secure and anonymous electronic post box)? Does the law provide the body charged with operating it with sufficient independence and powers to investigate the reports it receives?
Scoring	● 0.5: The law/policy creates a dedicated reporting mechanism for witnesses and victims of corruption, but it does not provide the body

	charged with operating it with sufficient independence and powers to investigate the reports it receives.
Response	There is such a mechanism foreseen in the RA Criminal Procedure Code. The agencies which are dealing with the procedures are the same Law Enforcement Bodies, which are analysed above in this report. There is no separate body for those issues.
References	RA Criminal Procedure Code

Indicator number	16.9
Indicator question(s)	Does such a dedicated reporting mechanism for witnesses and victims of corruption exist in practice?
Response	There is no opportunity for the victims and witnesses to report anonymously under the RA Criminal Procedure Code.
References	RA Criminal Procedure Code

Indicator number	16.10
Indicator question(s)	Is data and information regarding the operation and performance of such reporting mechanisms (in compliance with relevant privacy and data protection laws) published?
Response	No, there is no data.
References	N/A

Indicator number	16.11
Indicator question(s)	Is there evidence that relevant state bodies have taken active steps to promote public awareness of this reporting mechanism?
Response	The issue of whistle-blowing became part of Armenia's anti-corruption agenda during the last 2 years. After the adoption of the Law on the Whistle-blowing System, the government, together with the Embassy of Great Britain in Yerevan, launched a public campaign aimed at raising awareness on the possibility and importance of whistle-blowing.
References	https://www.youtube.com/watch?v=yoV4abXHTwM https://www.youtube.com/watch?v=0F5E5xHZRbM https://www.youtube.com/watch?v=YqD84fk68JM https://www.youtube.com/watch?v=8EWU8WLBS7g https://www.youtube.com/watch?v=41NBjnrr1C0 https://www.youtube.com/watch?v=NvbtHaT3cc4 https://www.youtube.com/watch?v=u3y4rSuR2jk https://www.youtube.com/watch?v=wUdV6SYU6yw https://www.youtube.com/watch?v=46zHVTsAP_s https://www.youtube.com/watch?v=oJNJHKTpZAo https://www.youtube.com/watch?v=FDx7_X8WH54

Indicator number	16.12
------------------	-------

Indicator question(s)	Have there been prominent cases in the past two years where wrongdoing and corruption were unveiled by a whistle-blower or through a reporting mechanism?
Response	During the last 2 years, no prominent cases of whistle-blowing took place. In general, the culture of whistle-blowing in Armenia is not developed enough: the act of whistle-blowing is considered shameful, which is connected with Armenia's experience of being part of the Soviet Union.
References	N/A

Target 16.10: Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

Indicator 16.10.1:	Number of verified cases of killing, kidnapping, enforced disappearance, arbitrary detention and torture of journalists, associated media personnel, trade unionists and human rights advocates in the previous 12 months
Indicator 16.10.2:	Number of countries that adopt and implement constitutional, statutory and/or policy guarantees for public access to information

17. Protection of fundamental freedoms

Indicator number	17.1
Indicator question(s)	What is the country's score and rating in Freedom House's Freedom in the World Rating (https://freedomhouse.org/report-types/freedom-world)?
Response	According to Freedom House's Freedom in the World Rating for 2018, Armenia is considered "partially free," scoring 45 out of 100 points. Since 2013, the rating of "partially free" rating has remained unchanged. The scoring is based on an average of the Political Liberties, Civil Liberties, and Freedom categories. Each indicator is scored on a scale of 1 to 7, where 7 is the worst, and 1 is the best. From 2013-2017, the score for each indicator remained stable and only in 2018 were there some changes. In particular, the Political Liberties score improved from 5 to 4.5, the Civil Liberties score worsened – from 4 to 5, and the Freedom category improved from 4.5 to 4.
References	https://freedomhouse.org/report/freedom-world/2018/armenia https://freedomhouse.org/report/freedom-world/2013/armenia https://freedomhouse.org/report/freedom-world/2014/armenia https://freedomhouse.org/report/freedom-world/2015/armenia

	https://freedomhouse.org/report/freedom-world/2016/armenia https://freedomhouse.org/report/freedom-world/2017/armenia
--	--

Indicator number	17.2
Indicator question(s)	What is the country's rank and score in the most recent World Press Freedom Index, issued by Reporters Without Borders (https://rsf.org/en/ranking)?
Response	According to 2018 data, Armenia ranked 80 th among 180 countries, with a score of 29.99 (100 meaning no press freedom, 0 meaning very high press freedom). In the last three years, Armenia's position in this index deteriorated slightly: in 2017, the score was 30.38, in 2016 - 28.79, and in 2015 - 28.43. There are no earlier scores for Armenia.
References	https://rsf.org/en/ranking

Indicator number	17.3
Indicator question(s)	Does the legal framework contain any provisions that threaten or undermine the ability of journalists, bloggers researchers, human rights advocates and other civil society actors to exercise their fundamental rights, to uncover and report on all forms of corruption, and to hold leaders accountable?
Response	The legal provision used against journalists and human rights advocates is Article 1087.1 of the Civil Code of the Republic of Armenia, which regulates the Procedure and Conditions of Compensating Damage Inflicted upon Honor, Dignity, or Business Reputation. This Article has repeatedly been applied against journalists both for reason and as a threat. With a non-independent judiciary, this Article is a tool for financial pressure and silencing any journalist or civil society activists in the field. In 2016, for the first time ever, the Electoral Code prescribed a requirement for the mass media to obtain accreditation in order to cover elections. It is provided that an entity, as such, carrying out media activities may accredit its representatives, if it has been disseminating news reporting for at least one year. However, the one-year restriction does not apply to mass media carrying out terrestrial air broadcasting. Another provision of concern is Paragraph 6 of Article 65 of the Electoral Code, which provides that only one journalist and one photographer or video-recording operator representing the same media outlet may concurrently be present in the polling station. Under the same Article, up to two observers from each international organization, escorted by an interpreter and, in case of local observers, one observer

	from each organization, may be present at sessions of the electoral commission, including the day of voting. Article 65 of the Electoral Code of the Republic of Armenia prescribes the right of the precinct (polling station) electoral commission, in case the natural voting process is manifestly distorted, to limit the number of observers and mass media representatives present in the polling station by a decision of at least two thirds of the total number of commission members, i.e. to remove from the polling station certain observers and mass media representatives. The decision must meet the proportionality principle, and in any event, the number prescribed by such decision may not be below 15. However, this restriction does not apply to visitors, international observers, and representatives of television and radio companies carrying out terrestrial air broadcasting. These provisions in the Electoral Code significantly restrict the activities of the mass media and local observer organizations and seriously undermine the transparency of the voting process. There are also serious concerns with respect to the Republic of Armenia Law on Television and the Radio. Its amendments provide, insofar as the analog-to-digital broadcasting transition is concerned, that each marz (region) shall have one regional television company, although prior to the amendments, the number was two or more broadcasters per region, with a few exceptions (in the Lori region, for instance, there were five broadcasters). As a result, over 10 local television companies are left out of the digital switchover process and continue to broadcast an analog signal, losing their audience and advertisers. This restriction has, in practice, eliminated competition between local broadcasters, and the television audience has lost access to alternative news media. Moreover, the Republic of Armenia's Law on Television and the Radio prescribes extremely onerous and unrealistic conditions for the creation of the private digital network, the multiplex, by providing that it shall cover the whole territory of the country and belong to the multiplexer, while the required annual state duty is 100 million Armenian drams (over US \$200,000). Thus, the law lays the foundation for only large business to operate in this field, disregarding the small and medium ones. Had the law allowed it, the local television companies could create small multiplexes and operate digitally. Furthermore, the Law prescribes a television company licensing procedure that is aimed at securing government control of the sector, maintaining the status quo and virtually precluding the emergence of new broadcasters.
References	RA Electoral Code Constitutional Law RA Civil Code Law on Television and the Radio

	http://www.parliament.am/legislation.php?sel=show&ID=3853&lang=arm http://www.parliament.am/legislation.php?sel=show&ID=5412&lang=arm
--	--

Indicator number	17.4
Indicator question(s)	Are any policies or practices in place that undermine the ability of journalists, bloggers researchers, human rights advocates and other civil society actors to exercise their fundamental rights, to uncover and report on all forms of corruption, and to hold leaders accountable?
Response	In early 2018, there were a number of negative developments to limit the rights of journalists and other actors in civil society. One of the steps towards limiting transparency of government activities for the public was the adoption of the Republic of Armenia Law on the Structure and Activities of the Government on March 23, 2018. Under this law, the sessions of the Government shall be held behind closed doors. The Prime Minister may decide to open some part of the session to the public. Moreover, it provides that Government members and other persons that were present at the Government session may not, unless permitted by the Prime Minister, publish information on the discussion of any issue discussed in the Government. As a consequence of these new provisions, the public will most probably receive fragmented and incomplete information about the activities of the Government and the issues discussed in the session, and these amendments may not have any positive impact, especially given the absence of public trust in the Government. On February 19, 2018, the Yerevan City Administration obstructed the entry into the Town Hall Building of journalists of the A1+ television company and Radio Liberty, who had been invited by Zaruhi Postanjyan, the leader of the Apricot Land political faction. Artur Gevorgyan, the Head of the Information and Public Relations Department of the City Administration, first prohibited the media representatives from continuing to interact with the opposition politician, after which, through police officers, he prohibited them from entering the city council member's office, forcing them to leave the building. On March 23, 2018, the National Assembly of Armenia adopted a law amending the Republic of Armenia Law on Local Self-Government in the City of Yerevan, which provides that journalists may no longer be present in the Yerevan Council's session hall but may follow the session from a special place allocated to media representatives in the City Administration. After this amendment, the City Administration

	developed a new procedure for accrediting journalists, which limits and hinders the ability of journalists to carry out their work properly in the City Administration and the City Council.
References	RA Law on the Structure and Activities of the Government http://khosq.am/2018/03/05/%D5%B0%D5%A1%D5%B5%D5%BF%D5%A1%D6%80%D5%A1%D6%80%D5%B8%D6%82%D5%A9%D5%B5%D5%B8%D6%82%D5%B6-44/

Indicator number	17.5
Indicator question(s)	Have there been documented cases of killings, kidnappings, enforced disappearances, arbitrary detentions, torture or attacks against journalists, associated media personnel, trade unionists, human rights and civil society advocates or other people who investigated, uncovered and advocated against corruption in the previous two years?
Response	Kidnappings and disappearances are not a part of Armenia's public-political life. However, numerous other forms of pressure have been exerted on journalists and various representatives of civil society. A report by the Committee to Protect Freedom of Expression reads: "Overall, in 2017, the Committee documented 11 cases of physical violence against journalists, 113 cases of various types of pressure on the mass media and their staff, and 62 violations of the right to receive and impart information." These cases were related to not only the activities of journalists against corruption: the pressure on journalists mostly occurs during election periods or other events of public and political significance. According to the aforementioned source, "during the [2017] parliamentary election campaign period, the Committee documented three cases of violence and six cases of obstruction with respect to journalists." On April 2, election day, there were two cases of violence and eight cases of obstruction of professional work with respect to journalists. The same source writes that "observations of the subsequent process have shown that the authorities still fail to treat seriously the violations of journalists' rights and do not intend to take adequate measures: in relation to the 29 cases of violence and obstruction documented during the National Assembly and Yerevan City elections and campaigns preceding them, only seven criminal cases were initiated, and five of them were subsequently discontinued on the formal ground that "crime elements were absent," and only two reached court." There was, in particular, a strong public reaction to the violence against two journalists that went to the Kond District of Yerevan in response to allegations of vote buying during the parliamentary election on April 2, 2017.

Regarding the persecution of other representatives of civil society, it is worth mentioning the case of Marina Poghosyan, the president of the Veles non-governmental organization, who was actively engaged in the fight against corruption and the protection of human rights. She was charged with extortion in 2015, after she accused ex-officials of involvement in money laundering schemes.

In Armenia, opposition political activists may also be viewed as actors fighting against corruption, given their work and complaints target corrupt practices of the government and, certainly, they face political retaliation. It is worth mentioning the case of Gevorg Safaryan, an opposition activist who frequently criticized the authorities and was detained by the police during a Christmas tree planting action at Freedom Square on December 31, 2015. The sole witness providing testimony at his case was one police officer. He was imprisoned under Article 316 of the Criminal Code of the Republic of Armenia. While in prison, new charges were filed against him, which, in conjunction with all the other circumstances, clearly illustrate that he was facing political retaliation.

Another noteworthy case is that of Jirayr Sefilyan, the leader of a small political-civic movement, Founding Parliament and New Armenia, as well as a commander during the Artsakh War, who was convicted for his opposition activities. More specifically, he publicized the loss of 8,000 square meters of land during the 2016 April war with Azerbaijan that was earlier concealed by the authorities. He was arrested on June 20, 2016, and charged under Paragraph 2 of Article 235 of the Criminal Code of the Republic of Armenia (“obtaining, selling, keeping, transporting, or carrying weapons, ammunition, explosives, or explosive devices unlawfully by a group of persons with prior consent”). On March 20, 2018, Jirayr Sefilyan and his six friends were convicted to 10 years and five months of imprisonment, after the charges were amended as follows: (“Sefilyan and a group of persons, acting with prior agreement, with direct intent of inciting mass disorders endangering public security by means of exerting violence, destroying and damaging property, and showing armed resistance to a representative of the power in Yerevan on April 24, 2015, carried out acts in preparation for its organization starting in May 2014; moreover, from November 2015 to May 18, 2016, acting as a part of an organized group, illegally obtained, kept, and transported firearms and ammunition with the aim of overtaking and keeping buildings and premises of strategic significance by use of weapons and exertion of violence dangerous for life, but it was not completed due to reasons beyond his control.” A number of local NGOs made a statement condemning Sefilyan's imprisonment and declared him a political prisoner.

A month after Sefilyan's arrest, on July 17, 2016, a group of 31 armed persons occupied the Patrol-Guard Service Regiment of the Police of the Republic of Armenia, during which two police officers were killed. The armed group, called Sasna Tsrer (the Daredevils of Sassoon), consisted of participants of the Artsakh War, the Constituent Parliament movement, and some representatives of the Armenian Diaspora. The members of the group received strong public support because they demanded the release of Jirayr Sefilyan and the resignation of President Serj Sargsyan.

A group of persons were arrested for supporting the Daredevils of Sassoon, including a US citizen, Diasporan Armenian Garo Yeghnukyan, who was charged with aiding the Daredevils of Sassoon in keeping hostages (Article 38-2 18) and aiding the occupation of buildings and premises (Article 38-2 19). He considers his prosecution to be politically-motivated.

During these events, former presidential candidate Andreas Ghukasyan was detained, even though, during spontaneous demonstrations in support of the Daredevils of Sassoon, he was urging the citizens to remain calm. During the trial, a judge of the Appeal Court of the Republic of Armenia had clearly asked him whether, if released, he would continue his opposition activities, thereby showing the real reason for keeping Ghukasyan in prison. The Eastern Partnership Civil Society Platform considered Ghukasyan's case to be clearly politically motivated.

The aforementioned cases are only those of Gevorg Safaryan, Jirayr Sefilyan, Garo Yeghnukyan, and Andreas Ghukasyan. However, local human rights advocates in Armenia have estimated that there are at least about two dozen political prisoners.

Another striking example is the pressure on Daniel Ioannisyan, founder of the sut.am news website and program manager at the Union of Informed Citizens NGO. Thirty court claims were lodged against him by principals of schools and kindergartens with respect to a report released by sut.am on March 24, 2017, which exposed the “collection” of votes for the ruling Republican Party of Armenia during the electoral campaign by principals of over 100 schools and kindergartens, misusing their administrative resources. Each claim demanded refuting the information that was allegedly defamatory, as well as a payment of 2 million drams in compensation. However, the claims were retracted at the very first court hearing.

After the said publication, personal information concerning Daniel Ioannisyan's private and family life was published online. A number of local NGOs condemned this publication.

References	http://khosq.am/reports/%D5%B0%D5%A1%D5%B5%D5%A1%D5%BD%D5%BF%D5%A1%D5%B6%D5%B8%D6%82%D5%B4-%D5%AD%D5%B8%D5%BD%D6%84%D5%AB-%D5%A1%D5%A6%D5%A1%D5%BF%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%AB%D5%B3%D5%A1%D5%AF%D5%AB-13/ https://www.amnesty.org/en/countries/europe-and-central-asia/armenia/report-armenia/ https://www.hrw.org/world-report/2017/country-chapters/armenia#e7d7ad https://www.fidh.org/en/region/europe-central-asia/armenia/abuse-of-the-article-316-of-the-armenian-penal-code-to-hinder-the http://www.tert.am/am/news/2018/03/20/safaryan-sefilyan/2642127 http://hcav.am/en/events/23-06-2016-01-en/ http://prwb.am/new/wp-content/uploads/2017/04/NIT2017_Armenia.pdf https://www.hrw.org/world-report/2017/country-chapters/armenia http://hetq.am/eng/news/86482/armenia-civil-society-organizations-demand-andreas-ghukasyans-immediate-release.html http://eap-csf.eu/wp-content/uploads/Speechforthelaunchingnewarchitecture_Bruxelles_12-March-Haykuhi-2-1.pdf http://khosq.am/reports/%D5%B0%D5%A1%D5%B5%D5%A1%D5%BD%D5%BF%D5%A1%D5%B6%D5%B8%D6%82%D5%B4-%D5%AD%D5%B8%D5%BD%D6%84%D5%AB-%D5%A1%D5%A6%D5%A1%D5%BF%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%AB%D5%B3%D5%A1%D5%AF%D5%AB-13/ https://www.azatutyun.am/a/28400257.html
------------	--

Indicator number	17.6
Indicator question(s)	Have there been cases of attacks against NGOs, journalists, and others advocating or reporting on corruption adequately investigated and resolved in the past two years? Were perpetrators identified and held accountable?
Response	According to the Committee to Protect Freedom of Expression, cases of attacks on journalists are not properly investigated. In June 2015, during the Electric Yerevan protest, at least 14 journalists were subjected to violence. Twenty-two journalists and operators were officially recognized as victims in the framework of the initiated criminal cases. Parts of the case were separated, and only four persons were charged and brought to trial. This shows that the measures taken by the state are inadequate and not proportionate to the scale of the violence. Freedom House considers that these cases have not been investigated comprehensively.

	Demonstrations that followed the occupation of the Patrol-Guard Service Regiment of the Police of the Republic of Armenia by Sasna Tsrer in July 2016 were marked by large-scale violence against and obstruction of the professional activities of journalists and operators: the use of special means against mass media representatives reached an unprecedented level. During the July 2016 events, 27 journalists and operators suffered from police misconduct, of which 19 suffered from physical violence, sustaining bodily injuries, and eight others encountered various forms of pressure and persecution. As of July 2017, nine civilians had been charged under the criminal case initiated with respect to the events, seven of whom stood trial and were released after the imposition of penalties. Experts consider that the charges in the nine initiated cases were absolutely not proportionate to the scale of the violence. According to a report by the Committee to Protect Freedom of Expression, criminal cases were initiated with respect to only seven out of the 29 instances of violence and obstruction during the 2017 National Assembly elections, the Yerevan City council elections and the preceding electoral campaigns. Five of the seven launched cases were discontinued on the formal ground that “elements of the crime were absent,” and only two reached court. One of the key impediments to free media, especially with regards to coverage of corrupt practices by law enforcement is the effective presumption that journalistic professional activities still may be illegal. Article 164 of the RA Criminal Code provides for criminal liability for “hindrance to the lawful professional activities of journalists.” This is not a serious crime and receives a light sentence (fines or imprisonment from 3 months to 3 years, if committed with abuse of authority). Only in cases where the hindrance is accompanied with violence or a threat to violence dangerous to the life or health of a journalist or his/her close person, the crime is considered to be serious and punished with imprisonment for 3 to 7 years. This issue reflects the imbalance between the legal status of the journalists and the police when their activities intersect, by presuming a burden of proof for the journalists to prove legitimacy of their professional activities, whereas any actions by the police are presumed as legitimate at their outset. The draft new Criminal Code (Article 222) has not corrected this deficiency. It should also be mentioned that there have not yet been any judgments so far under Article 164.
References	RA Criminal Code https://freedomhouse.org/report/freedom-press/2016/armenia

	http://khosq.am/reports/%D5%B0%D5%A1%D5%B5%D5%A1%D5%BD%D5%BF%D5%A1%D5%B6%D5%B8%D6%82%D5%B4-%D5%AD%D5%B8%D5%BD%D6%84%D5%AB-%D5%A1%D5%A6%D5%A1%D5%BF%D5%B8%D6%82%D5%A9%D5%B5%D5%A1%D5%B6-%D5%BE%D5%AB%D5%B3%D5%A1%D5%AF%D5%AB-13/ http://prwb.am/new/wp-content/uploads/2017/04/NIT2017_Armenia.pdf http://media-center.am/hy/1500980997
--	---

Indicator number	17.7
Indicator question(s)	Have there been documented cases of government censorship, including of online communication, or of undue political interference that limits people's ability to inform and express themselves online in the past two years?
Response	There have been no documented cases, but it is well-known that, especially in television news, self-censorship reaches a very large scale, and journalists are in one way or another linked with parties or groups. Nevertheless, an indirect example was the temporary suspension of the "Urvagits" program on Kentron TV in 2016, after its host Petros Ghazaryan invited the artist/actor Sergey Danielyan who spoke of creating a party by the name of QAA ("feces" in Armenian). Sergey Danielyan mocked the ruling party, the regime and President Sargsyan, stating that there is no one better than Serj Sargsyan and the Republican Party, and that stealing and corruption are right. In the <i>Freedom in the World Rating</i>, Freedom House noted that "most print and broadcast outlets are affiliated with political or commercial interests, and journalists practice self-censorship to avoid harassment by government or business figures." A prime example of censorship was the prohibition of the "Khavarum" (Darkening) exhibition in September 2017, which was dedicated to the Stalinist repressions and focused on the three sons of Armenian writer and poet Hovhannes Tumanyan. The Deputy Minister of Culture of Armenia directly stated that the exhibition was closed due to its politicization. Another example was the blocking of the presentation of the <i>Awakening Forces</i> book by Mikhail Saakashvili, which was due to launch at the Yeghishe Charents house-museum in February 2018. After the preparations were complete, the museum management unexpectedly refused to hold the event, citing technical problems. However, the translator of the book and organizer of the presentation, Mikayel

	Nahapetyan, had grounded suspicions that the presentation had been prohibited by Armenia's Ministry of Culture.
References	https://freedomhouse.org/report/nations-transit/2017/armenia https://freedomhouse.org/report/freedom-world/2016/armenia http://www.mediamax.am/am/news/society/25033/ https://www.newsinfo.am/arm/article/view/Ekd92dz_rV

18. Access to information

Indicator number	18.1
Indicator question(s)	Does the legal framework (including jurisprudence) recognize a fundamental right of access to information?
Scoring	● 1: There is a full constitutional recognition of a public right of access to information
Response	Access to information is guaranteed by Article 51 of the Constitution of the Republic of Armenia. Article 4 of the Republic of Armenia Law on the Freedom of Information prescribes the main principles of safeguarding access to information.
References	RA Constitution RA Law on Freedom of Information

Indicator number	18.2
Indicator question(s)	Does the right of access to information apply to all materials held by or on behalf of public authorities in any format, regardless of who produced it?
Scoring	● 1: The right applies to all materials held by or on behalf of public authorities, with no exceptions.
Response	The right of access to information applies to all forms of materials held by public authorities. According to Article 3 of the Republic of Armenia Law on the Freedom of Information, information on a person, object, fact, circumstance, event, happening, or phenomenon is data collected and formed in accordance with the procedure stipulated by the legislation, irrespective of how such information is possessed or in what material medium (text, electronic document, audio recording, video recording, photo tape, sketch, scheme, note, or map).
References	RA Constitution RA Law on Freedom of Information

Indicator number	18.3
Indicator question(s)	To which branches and bodies does the right of access apply?

Scoring	● 1: The right of access applies, with no bodies excluded, to 1) executive branch; 2) the legislature; 3) the judicial branch; 4) state-owned enterprises; 5) other public authorities including constitutional, statutory and oversight bodies (such as an election commission or an information commission); and 6) private bodies that perform a public function or that receive significant public funding.
Response	Under Article 3 of the Republic of Armenia Law on the Freedom of Information, information is disposed by information-holding state and local self-government bodies, state institutions, organizations funded from the state budget, and organizations of public significance and their officials. In this respect, it is alarming that, according to amendments made to the Republic of Armenia Law on Procurements in December 2015, information on public procurement activities related to the activities of top three officials in the country (the President, the Prime Minister, and the Speaker of the National Assembly) came to be classified as a state secret.
References	RA Law on Freedom of Information RA Law on Procurements

Indicator number	18.4
Indicator question(s)	Are there clear and reasonable maximum timelines for responding to a request, regardless of the manner of satisfying the request?
Scoring	● 1: Timeframe is 10 working days (or 15 days, or two weeks) or less
Response	Under Paragraph 7 of Article 9 of the Republic of Armenia Law on the Freedom of Information, the requested information shall be provided within a five-day period, and if it requires additional work, the requester shall, within a five-day period, be informed thereof, and in this case, the information shall be provided in a 30-day period. Under the same Article, if the requested information has already been published, the requester shall be so informed within a five-day period, specifying the publication place and time. Under Paragraphs 3 and 1 of Article 9 of the Republic of Armenia Law on the Freedom of Information, if the written request does not contain the requester's name, surname, citizenship, or place of residence, work, or educational institution, and if it is not signed (or, in case of a legal entity, if it does not contain the name or address of the entity), no response shall be given to the request. Moreover, no response shall be given if the requester's identity data is false or if the request is the second request for the same information during the last six months, unless the information provided in the past was not truthful or incomplete.
References	RA Law on Freedom of Information

Indicator number	18.5
Indicator question(s)	Are exceptions to the right of access consistent with international standards?
Scoring	● 0.75: 7 or 8 points deducted from 10.
Response	Paragraph 1 of Article 8 of the Republic of Armenia Law on the Freedom of Information exhaustively lists the information the provision of which shall be rejected. Thus, information shall be rejected if it: • contains state, service, banking, or commercial secrecy; • violates the confidentiality of a person's private and family life, including the confidentiality of correspondence, telephone conversations, mail, telegraph, and other communications; • contains pre-trial investigation data that is not subject to disclosure; • reveals data that requires restricted access due to professional activities (medical, notary, and attorney secrets); or • violates copyright and/or related rights.
References	RA Law on Freedom of Information

Indicator number	18.6
Indicator question(s)	Is a harm test applied to all exceptions, so that disclosure may only be refused when it poses a risk of actual harm to a protected interest?
Scoring	● 0: No Harm test is stipulated by law, or it does not apply to 4 or more exceptions
Response	According to experts, the harm test itself is embedded within the Law on the Freedom of Information; however, it is not truly operational. There have been rather controversial developments with respect to the Law on Procurements Article 15, par. 2 with respect to the alleged dangers of disclosing information on procurements related to the activities of the top three officials in the country (the President, the Prime Minister, and the Speaker of the National Assembly).
References	Expert observation RA Law on Public Procurement

Indicator number	18.7
Indicator question(s)	Is there a mandatory public interest override so that information must be disclosed where this is in the overall public interest, even if this may harm a protected interest? Are there 'hard' overrides (which apply absolutely), for example for information about human rights, corruption or crimes against humanity?
Scoring	● 0: No public interest test is required by law

Response	Paragraph 2 of Article 7 of the Republic of Armenia Law on the Freedom of Information provides: “The holder of information shall immediately publish or, in any other accessible manner, inform the public of such information held by it, the publication of which can prevent a danger to state and public security, the public order, public health and morals, the rights and freedoms of others, the environment, and the property of persons.”
References	RA Law on Freedom Information

Indicator number	18.8
Indicator question(s)	Is there an independent Information Commission, or a similar oversight body, with whom requestors have the right to lodge an external appeal?
Scoring	● 0: No independent oversight body exists
Response	Armenia does not have an oversight body. The Armenian legal system has three options for appeals - appeals to a higher administrative authority, court appeals, and appeals to the Defender of Human Rights. In cases of violations of the right to freedom of information, the journalistic community and human rights NGOs most frequently choose the option of court appeals, which is considered more effective due to the clear requirements enshrined in the Republic of Armenia Law on the Freedom of Information.
References	NA

Indicator number	18.9
Indicator question(s)	Does the law/policy on access to information contain minimum standards on mandatory proactive (automatic, without having to be requested) publication of information?
Scoring	● 1: If the law on access to information (or another relevant law) contains requirements on the mandatory automatic publication of certain information.
Response	Paragraph 3 of Article 7 of the Republic of Armenia Law on the Freedom of Information provides that the holder of information shall publish the following information on its activities and changes therein at least once a year: • work and services carried out (to be carried out) for the public; • the budget; • the forms of written requests and advisory instructions on how to fill them out; • staffing lists and names, surnames, education, profession, positions, work telephone numbers, and e-mail addresses of the respective officials; • the hiring procedure and vacancies;

	• the impact on the environment; • the programs of public activities; • the procedure, date, time, and place of service provision for citizens; • the work and service pricing procedure and prices/tariffs; • the list of information held and the procedure of dealing with such information; • statistics and summaries on requests received, including the grounds for refusal; • sources for receiving and processing the information stipulated by this Paragraph; and • Information on the person who has the power to clarify the information stipulated by this Paragraph. Paragraph 4 of the same Article requires that “changes in the mentioned information shall be published within a 10-day period of making them.” In 2016, these provisions of the Republic of Armenia Law on the Freedom of Information were monitored by the Center for Freedom of Information NGO. The websites of 37 state bodies were reviewed and it was found that “none of them adequately fulfills the requirements of the freedom of information legislation, including comprehensive implementation of proactive disclosure through websites.”
References	RA Law on Freedom of Information http://parliament.am/legislation.php?sel=show&ID=1390&lang=arm http://www.foi.am/u_files/file/E-FOI_monitoring.pdf

Indicator number	18.10
Indicator question(s)	What is the country's score in the Right-To-Information Rating (http://www.rti-rating.org/country-data/)?
Response	Armenia's right-to-information rating is 96, and it holds the 38 th place.
References	http://www.rti-rating.org/country-data/

Indicator number	18.11
Indicator question(s)	What are shortcomings of the access to information regime?
Response	The Republic of Armenia Law on the Freedom of Information was adopted in 2003 and needs to be updated. Particularly, it is necessary to regulate the conditions of electronic requests and information provision in various forms, provide greater opportunities for oral requests, and streamline fees for information. It is very critical to expand of the scope of action of the law to include additional responsible bodies, such as entities exploiting

	public resources or providing public services. Some experts consider that it is urgently necessary to introduce and develop the institution of a Freedom of Information Commissioner.
References	RA Law on Freedom of Information

Indicator number	18.12
Indicator question(s)	Are there any factors that, in practice, make it unnecessarily burdensome and difficult to request or gain access to information?
Response	The aforementioned legislative gaps enable state bodies to leave requests without a response or to refuse information provision. Electronic requests, for example, are often disregarded, as they are not deemed to be official or in accordance with the law. Moreover, the official websites of government structures usually do not enable electronic requests. There are also limited possibilities to receive information through oral requests. Officials mostly use these legal loopholes in order to leave such requests without a response. Often, the information sent in response to a written request is incomplete, evasive, or cunning, where its content is not related to the question posed. Another restriction is the requirement for the information inquirer to provide his name, surname, citizenship, and residence address. As to the fees required for information, Paragraph 2 of Article 10 of the Republic of Armenia Law on the Freedom of Information provides for up to 10 pages of photocopied or printed information to be provided free of charge. Overall, the process of obtaining information is simple. There is no research into or data on staff awareness and competence related to the legislation on the freedom of information. In practice, the main problem is related to the provision of information concerning legal entities. One should pay 3,000 Armenian drams to obtain such information from e-register.am. A similar problem arises when requesting information from the State Committee of the Real Estate Cadaster of the Republic of Armenia: for instance, 10,000 drams are charged for issuing a consolidated statement on real estate. The list of service fees collected for provision of information is accessible on the official website of this state body.
References	RA Law on Freedom of Information Republic of Armenia Law on Stamp Duties http://www.cadastre.am/page/384

Indicator number	18.13
------------------	-------

Indicator question(s)	How many requests for information were made to public authorities each year in the previous two years?
Response	There is no unified information system on inquiries' statistics in the Republic of Armenia.
References	Not applicable

Indicator number	18.14
Indicator question(s)	Have there been any developments in the past two years that suggest an improvement or deterioration in the framework for public access to information and/or its implementation?
Response	The main developments are related to the adoption by the National Assembly of laws amending the Republic of Armenia Law on the Government Structure and Activities and the Republic of Armenia Law on Local Self-Government in the City of Yerevan on March 23, 2018. As noted above, they now provide for Government sessions to be closed, allowing a part of the session to be opened to the public only by the decision of the Prime Minister. It is further provided that Government members and other persons that were present at the Government session may not, unless permitted by the Prime Minister, publish information on the discussion of any issue discussed in the Government. As to the law amending the Republic of Armenia Law on Local Self-Government in the City of Yerevan, it has groundlessly restricted the ability of the mass media to cover the activities of the council of the capital city, and these restrictions continue to be applied.
References	RA Law on the Government Structure and Activities RA Law on Local Self-Government in the City of Yerevan

19. Open government data

Indicator number	19.1
Indicator question(s)	What is the country's rank and score in the most recent edition of the Open Data Barometer, produced by the World Wide Web Foundation (http://opendatabarometer.org/data-explorer)?
Response	Armenia is not included in the 2013-2015 list of the Open Data Barometer.
References	http://opendatabarometer.org/data-explorer

Indicator number	19.2
Indicator question(s)	What is the country's score in the most recent available Open Data Index, produced by Open Knowledge International (http://index.okfn.org/place)?

Response	Armenia is not included in the Open Data Index produced by Open Knowledge International.
References	http://index.okfn.org/place

Indicator number	19.3
Indicator question(s)	Are there noteworthy efforts or initiatives of public bodies to automatically publish information and documents online (especially in machine-readable formats and in line with open data standards) that are relevant to deterring or detecting corruption?
Response	The situation in this field is generally satisfactory, but not perfect. The main problem is that the machine-readable format is not widespread; in fact, it is rare. This makes it much harder for civil society to carry out adequate monitoring. Noteworthy initiatives in this field include the following: • Procurement announcements and contracts are published online. There are a number of websites related to procurements (gnumner.am, e-tender.am). However, as noted above, the information concerning the Prime Minister, the President, and the Parliament Speaker are all sealed under state secrecy. • The state budget is accessible on https://www.e-gov.am/interactive-budget and e.gov.am. • Armenia does not have legislation on disclosure of information on beneficial owners of organizations, although steps have already been initiated in this area, including some in the framework of the Extracting Industries Transparency Initiative. • Annual information on donations to parties is published and is accessible on the website of the Central Electoral Commission. • Senior officials are required to lodge asset and income declarations, which are subsequently published on the ethics.am website of the Ethics Commission for Senior Public Officials. • There are a number of other electronic services related to tax reports, visas, intellectual property, electronic notices, e-registration of organizations, and state payments.
References	https://www.e-gov.am/interactive-budget/2017 www.e-tender.am www.gnumner.am

Indicator number	19.4
Indicator question(s)	Are there noteworthy civil society projects or initiatives that use open government data and/or, other publicly available data sources to strengthen government accountability and help deter and/or detect corruption?
Response	There are no special civil society projects or initiatives that use open government data, but some organizations (such as Transparency International Anticorruption Center, Investigating Journalists NGO, “Asparez” Journalists’ Club and National Center for Public Policy Research) use open data in their activities and research.
References	www.transparency.am www.hetq.am https://publicdata.am http://policyobserver.am